

JPRS-SEA-37-127
10 DECEMBER 1987



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JPRS Report

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JPRS-SEA-87-127

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**MERDEKA Editor Discusses Philosophy,
Gorbachev Interview**

42130015a Jakarta KOMPAS in Indonesian
1 Oct 87 pp 1, 8

[Excerpt] "I am a leftist nationalist, because I love our people and nation. Therefore, I always guard against disunity. 'Leftist' means we always believe in the people. The political meaning of the term is: You love the people. I don't want our state to be a federal state but a unitary state."

These were the words of Burhanuddin Muhammad Diah (age 70), politician, reporter, and editor in chief of the MERDEKA daily, in a conversation with Kompas yesterday, Wednesday. MERDEKA, which was founded on 1 October 1945, reaches the age of 42 today.

[Question] How does the statement you just made relate to your daily life as a capitalist who owns a big hotel (Hotel Arya Duta) and drives a Mercedes Benz luxury car?

[Answer] The hotel and Mercedes are merely tools. We drive cars to be safer and quicker. But the important thing is ideology. Although we drive a Mercedes, our hearts are stirred to see little people dragged around.

Being a nationalist doesn't mean we have to live simply or suffer. That would be hypocritical. But it would be no problem to give up those things. We can give them up easily. But to be truly able to do that requires a thorough political education.

[Question] MERDEKA is frequently called a "Soviet lobby." What is your comment on that?

[Answer] From the beginning, MERDEKA has held to a policy outlined in our constitution, namely, a free and active foreign policy. But that does not mean anti-United States. If the Soviet Government is wrong, we criticize it, too. And the Soviets generally are now following a foreign policy of caution to avoid being attacked too much. But, in fact, the Soviets are not as terrific as the West in public relations. We are not wrong in supporting Soviet peace policies and efforts.

For my personal business, I use Americans to manage Hotel Arya Duta and other businesses.

[Question] How did you happen to meet with Gorbachev?

[Answer] It began when the new Soviet ambassador paid a courtesy visit to MERDEKA offices last July. The ambassador talked about Vladivostok. I said I had just written extensively on Vladivostok. Then I said Gorbachev had been interviewed by time. Is it possible for me to have that opportunity, too? The Soviet ambassador replied: Are you serious? I will do what I can to arrange it.

Several days later, I received a phone call saying that a letter asking for the interview had arrived in Moscow. On 14 July, the reply came that I would be received by Gorbachev. Unfortunately, I wasn't ready. My passport had not been renewed, and I had not yet asked permission.

[Question] Permission from whom?

[Answer] Oh, not asking permission, informing. Then I was told, okay. (Mentioned a government authority: Editor)

I left for Moscow on 20 July 1987 and arrived there the next morning. Then I was "confined" to the hotel, not going anywhere, waiting for a call. It came on the morning of the 21st. I was received by Gorbachev at the Kremlin that afternoon. On the morning of 22 July, I was interviewed by Izvestia and pravda. I returned home on 23 July.

[Question] Many people say your interview with Gorbachev lasted only 10 minutes. Gorbachev had prepared a written response, and the 10 minutes was only for small talk and a photo opportunity.

[Answer] He received me for 55 minutes. I went in at 1700, and when I came out the time was 1755. When I was about to go in, a protocol officer told me to ask only two questions. It turned out that Gorbachev gave me 20 to 25 minutes for an interview. The first 10 minutes he asked many questions about my experience as a journalist. He had in fact prepared written replies, but I was still given time to talk.

[Question] Were you invited to Moscow, or did you go at your own expense?

[Answer] Oh, I paid for it myself. Why should it have been paid for by someone else? 06942

**Habibie's Response to Technocrat-Technologist
'Rivalry' Charge**

42130015b Jakarta SUARA KARYA in Indonesian
3 Oct 87 p 1

[Text] Jakarta, SUARA KARYA—The economic and technological functions in Indonesian national development can be likened to the brake and gas pedals of a bus, said Minister of State for Research and Technology Prof Dr Engr B.J. Habibie.

"The mandatory bus driver is the president/MPR [People's Consultative Congress]. The passengers are the Indonesian people, and the destination is a just and prosperous society," Habibie said on Friday afternoon [2 October].

The brake and gas pedals have their unique functions, and both are needed if the bus is safely to reach the destination desired by its passengers, he added.

"Without brakes, the bus might go into a ravine on the first turn. Without a gas pedal, a bus with a full tank of fuel will just sit there, going nowhere," he said.

The brake pedal is the monetary manager-economist (technocrat), whose function it is to control expenditures for development so that we do not go bankrupt. The gas pedal is the technologist, whose function it is to spur the pace of development.

Up to the Driver

"It's up to the driver when to press the brake pedal and when to press the gas pedal," said Habibie, responding to charges by some people that the roles of technocrats and technologists in national development are contradictory.

Habibie, who is considered a prominent technologist, emphasized that both professions are needed and that cooperation between them should be increased.

06942

GOLKAR Official Critical of Youth Organizations

42130015c Jakarta SUARA KARYA in Indonesian
9 Oct 87 p 1

[Text] Jakarta, SUARA KARYA—Engr Sarwono Kusumaatmadja, secretary general of the GOLKAR [Functional Groups Organization DPP (Central Executive Council)], said that young people have very strategic potential in village development. Young people in the villages must be made a target group for dynamization in order that national development be as successful as we desire, Sarwono said on Thursday [8 October] at the Professional Youth Seminar held by the Indonesian Farmers Association (HKTI) in Jakarta.

At the seminar, which had as a theme "The Expansion of Youth Potential in Village Development," he said that young people will become the majority in the next decade, thus constituting a national potential if they are organized.

The problem in the villages now, said Sarwono, is how to improve the ability of the community to organize itself with effectiveness and awareness to solve local problems. "Young people in the villages must be organized effectively in order to become a factor in their environment. Existing youth potential must be motivated optimally," he stated.

"It is essential for them to organize themselves with awareness and effectiveness, not merely organizing for organization's sake. Our people love organization," declared Sarwono. Youth ORMAS [mass organizations] at present, he said, differ only in the color of their jackets. Their activities are the same, and they imitate each other. Their identities are merely in word.

According to Sarwono, community self-help groups (LSM) that are simple and that respond directly to local needs are more acceptable to the village community. There are indications now that movements of the LSM-type are more progressive than the ORMAS. "ORMAS in Indonesia generally find it hard to formulate a reason for their existence," he said.

06942

Official Says Southeast Sulawesi Needs More Transmigrants

42130015d Jakarta ANGKATAN BERSENJATA in Indonesian
8 Oct 87 p 6

[Text] Kendari, ANGKATAN BERSENJATA—From the pre-PELITA [5-Year Development Plan] period until the end of PELITA IV, the number of transmigrants placed in the Province of Southeast Sulawesi has reached 32,664 families, or 136,069 people.

This province has an area of 38,140 square kilometers but only 1.2 million inhabitants, with an average population density of 26 people [as published] per square kilometer, whereas ideally it should have a population of 2.5 million. Thus, there is still a need for 1.3 million people to be channeled through the transmigration placement program.

Drs K. Berlin, chief of the Southeast Sulawesi Provincial Office of the Department of Transmigration, said this in a press conference last Monday [5 October].

He said that as of the end of PELITA IV the placement of transmigrants in Southeast Sulawesi has reached 32,664 families, or 136,069 people. There are also 21,849 people still being readied at 60 transmigration settlement units (UPT) in four regencies of the province. "These do not include spontaneous transmigrants," he added.

Spontaneous transmigrants in Southeast Sulawesi, who have come from Java, Bali, Madura, Lombok, and even South Sulawesi from the pre-PELITA period until the end of PELITA IV in 1987, number about 16,000 families, he said.

Berlin related the placement of transmigrants to the need for skilled workers in other areas to turn the wheels of economy in the widest sense.

The role of transmigrants in spurring development through the Village Movement for Uniform Prosperity (GERSAMATA), which focuses on village areas, is that of using human resources to manage natural resources.

K. Berlin said that one successful transmigration area is Atula Village, Ladongi Subdistrict, Kolaka Regency, which was visited by Vice President Umar Wiradikusumah at the end of September.

06942

MP's Doubt Benefit of Rice Price Increase to Farmers

42130015f Jakarta *SUARA KARYA* in Indonesian
9 Oct 87 pp 1, 12

[Text] Jakarta, *SUARA KARYA*—It is hoped the higher prices for paddy will actually improve the income of farmers, for the expenses of farmers will also increase as a result of higher fertilizer prices and reduced pesticide subsidies.

That was the substance of separate interviews held yesterday by *SUARA KARYA* with B.P. Messakh, deputy secretary of the DPR-RI [Indonesian Parliament] FKP [the GOLKAR faction] for the economic and financial sector, Drs Bambang Ismawan, secretary general of the HKTI (Indonesian Farmers Association), and Hamzah Haz of the DPR-RI FPP [the Development Unity Party faction]. All three were asked to comment on the paddy price increase fixed by the government last Wednesday [7 October] in Jakarta in a limited cabinet meeting for the economic, financial, and industrial sector.

B.P. Messakh said the government action to raise the price of dry paddy for milling from 190 to 210 rupiahs per kilogram effective February 1988 shows the government wants to improve the income of farmers and spur the purchasing power of the people, who, it is hoped, ultimately will become a market for consumer and industrial goods.

On the other hand, because increased paddy prices are accompanied by higher fertilizer prices and are then to be followed by reduction in pesticide subsidies, the production costs of paddy will become increasingly higher. "As a result, the difference in profits realized by farmers is certain to be small," said B.P. Messakh.

Furthermore, according to Messakh, the unorganized distribution system means that the paddy price increase will not be enjoyed fully by farmers but by brokers. "The profits will thus not reach the hands of farmers," he said.

Messakh said putting the action into effect in February 1988 also gives an opportunity now for raising the prices of consumer and industrial goods. Such increases will clearly be a burden to farmers. It is quite possible they will be trapped into the system of selling rice while it is still in the field or into other such things.

Moreover, farmers have no paddy until after the next harvest. This means the action may benefit other parties rather than the farmers. "Therefore, the government must plan further steps to prevent things that will be of detriment to farmers," he said.

Small Farmers

Hamzah Haz questioned whether the paddy price increase will actually give additional income to farmers when looked at from the per capita income point of view.

He pointed out that in 1981 Indonesian per capita income was 344,500 rupiahs, or \$530, and in 1982 rose to 377,000 rupiahs, or \$580. Then, in 1985 per capita income reached 594,000 rupiahs, which, considering the falling value of the dollar, amounted to \$440. In 1986, the figure was 660,000 rupiahs, or \$400 dollars.

Hamzah noted that the incomes of farmers, especially of small farmers and farm laborers, were certain to be lower than the average income. If, then, the average per capita income is declining, the size of farm income can also be figured to be declining.

Higher paddy prices, he stated, accompanied by higher prices for means of production, are intended to push up the real income of farmers and simultaneously to enhance purchasing power.

"But I am pessimistic about that," he said. "Because," he said, "higher fertilizer prices and reduced pesticide subsidies will mean low-income farmers are, in effect, subsidizing consumers. And the situation will become even more serious if the prices of consumer goods go up before paddy prices."

According to Bambang Ismawan, the government action to raise paddy prices will have little effect on the income of farmers, because the increase in the basic price of paddy is in fact being accompanied by higher fertilizer prices and a reduction in the pesticide subsidy. "Pesticide prices are certain to go up as a result of the reduced pesticide subsidy. That means the farmers' cost of production will be higher, too," he added.

06942

East Java's Projected Rice Output Reported

42130015e Jakarta *ANGKATAN BERSENJATA* in Indonesian 9 Oct 87 p 3

[Text] Surabaya, *ANGKATAN BERSENJATA*—Engr Effendi Salam, chief of the East Java Provincial Office of the Department of Agriculture said that, based on projection two for this area, rice production in East Java in 1987 will reach 5,411,345 tons, an increase of 170,174 tons, or 3.25 percent, over the 1986 production of 5,241,171 tons.

Rice production in East Java, which had a large share in national rice procurement during the first 3 years of PELITA IV (1983-86), has been showing an increase of 2.62 percent per year. In 1983, production was 4,859,683 tons, and in 1984 it had risen to 5,163,651 tons. In 1985, production reached 5,164,854 tons.

Effendi Salam stated this in an exclusive interview with Antara on Thursday [8 October] in connection with improvement in rice production and efforts to realize self-sufficiency in rice in East Java. He said that to meet long-term rice requirements in a way that accommodates the population growth rate, efforts have been made through boosting intensification and through cooperation with farmers associations in applying the Super INSUS [Special Intensification pattern].

The PELITA IV target from 1984-85 to 1988-89 for the creation of rice paddies in East Java, especially in the

Regencies of Tulungagung, Jember, Situbondo, and Bondowoso, is 9,500 hectares. By August 1987, 6,249.5 hectares had been realized.

With respect to obstacles and steps taken to overcome them, Effendi Salam said that one technical problem encountered is a shortage of water, as experienced in Jember and Bondowoso. Another obstacle is hilly and mountainous land, as in Jember and Situbondo.

06942

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

Khmer Rouge Troops Said To Retreat to Thai Border

42000055 Kuala Lumpur *ASIAN DEFENCE
JOURNAL* in English Oct 87 pp 80-87

[Article by Jacques Bekaert: "Cambodia: War and
Diplomacy"]

[Excerpt]

A New Role for the United Nations?

During the Singapore meeting, rumours were rife of a new "four-point proposal" for Kampuchea from the Secretary General of the United Nations, Perez de Cuellar. During a long conversation with this correspondent, a well-informed UN senior official explained that any talk about such a "plan" was not only premature but unrealistic. "It is wrong to call it a plan, there is nothing so organised. It would be a premature label affixed on the continuous efforts of the UN Secretary General."

What some people called a "plan" was in fact a series of "suggestions" made by the Secretary General and his representatives "in the course of their many meetings with both sides involved in the conflict" the source said. At the centre of the various propositions floated recently by the UN is the idea of a partial withdrawal of Vietnamese troops, to be followed by the formation of a provisional coalition government involving the various Khmer factions. A nation-wide election coupled with the total withdrawal of foreign troops would be the next step.

Certainly, one of the most interesting ideas floated by the UN was the suggestion to have some kind of fixed camps assigned to each of the armed factions in order to avoid civil disturbances and undemocratic pressures on the Khmer voters.

The question of the survival of the armed factions after a political solution has been found has always been a sensitive one. As early as 1980 Sihanouk has proposed a general disarmament of the various groups to avoid a future civil war. The Khmer Rouge, supported by China, strongly opposed the idea. During the UN-sponsored International Conference on Kampuchea (ICK) held in New York in July 1981, there was a heated debate on this very subject. Both China and Singapore opposed the proposal to disarm the Khmer Rouge and the cause was lost when the United States rallied behind the hardline Chinese 'camp.'

In a recent shift of strategy Sihanouk, by now convinced that he would never get China's support for a full disarmament of the Khmer factions, has called for some

'equalisation' of the various forces, leaving each group with no more than one division. It is doubtful though whether the Khmer Rouge will ever agree to such a proposal.

Insofar as the Party of Democratic Kampuchea (PDK) is concerned disarmament is totally out of the question. "This is another Vietnamese trick," a senior Khmer Rouge source told us recently. "We cannot afford to disarm. If we do the enemy (Vietnam) will take advantage of it and invade our country once again." The same sentiment was strongly and eloquently expressed by Khieu Samphan—a Khmer Rouge leader but also the vice-president of Democratic Kampuchea in charge of Foreign Affairs—during an International Conference on Kampuchea that was held in Bangkok at the end of July.

Some of the DK partners fear that what the Khmer Rouge have in mind is not just the defence of the country against potential foreign invaders but also the desire to once again dominate the Kampuchean political and military scene. Such a fear is shared by many of the Coalition sponsors. To this delicate issue, the new UN proposal offers one of the most sensible compromise.

What was most remarkable in Singapore was the realisation that the UN could indeed play a positive role in the search for a political solution to the Cambodian tragedy.

Until recently, the chances of the international organisation to be significantly involved in Cambodia was minimal. Both the Soviet Union and Vietnam, the main protagonists—direct or indirect—of the drama, vehemently opposed the early ICK effort, which they perceived as a kind of anti-Vietnamese ploy. Both did their utmost to deny the UN any right to take an active part in a resolution of the conflict.

But the Gorbachev government is moving toward new horizons. So is—maybe—Nguyen Van Linh's Vietnam. "We have been really surprised by the new Soviet policy toward the UN," a senior United Nations official told us in Singapore. "We have been told very clearly that we could play a role. To them the ICK is still unacceptable, but we are flexible ourselves. We do not automatically insist on the ICK framework."

The same source also confirmed that Vietnam itself was getting more interested in a possible UN role. Again, ICK was rejected by Hanoi. Apparently however, a future and still undefined role by the Security Council was mentioned by Vietnamese diplomats.

Talking to the Other Side

If Sihanouk sent a signal to Hanoi, reactions also came from the other side. At the time of this writing (early September 1987) Vietnam has not approached Sihanouk directly. But in recent months, using a variety of channels (France, Austria and more recently the PLO) Hanoi

and Phnom Penh have tried to establish a dialogue with Sihanouk and the young Prime Minister of the People's Republic of Kampuchea, Hun Sen. A former Khmer Rouge military commander of the Eastern zone, who took refuge in Vietnam in May 1978, Hun Sen became, in January 1979, the youngest foreign minister in the world. He was only 29.

Those who know him well say he is intelligent and a fast learner. In November 1984, during a private visit to Paris he came very close to meeting Prince Sihanouk. But the Prince could not act alone, without consulting his partners of the coalition government. The Khmer Rouge were—and still are—against such a meeting.

ASEAN (at least Thailand and Singapore), while not objecting to a dialogue between the two sides, would prefer to see Vietnam involved from the beginning in the negotiation process—a step that Hanoi is apparently not ready to take. "What we are afraid is that Hanoi encourages some kind of dialogue between Phnom Penh and Sihanouk and makes sure it lasts forever" a senior ASEAN diplomat told ADJ. "In the meantime the struggle would go on, but the resistance would be affected in its fighting capacity."

In early June, the Soviet, Vietnamese and Cuban ambassadors to North Korea went together to see their PLO colleague, Mustapha Al Saphariny. They asked him to inform Prince Sihanouk of Hun Sen's desire to meet him in Pyongyang. The fact that both Vietnam and the USSR were so openly backing such a dialogue was indeed a new development.

At first Sihanouk accepted. A visa was arranged for Hun Sen, but for reasons still not fully clear the meeting was cancelled by Sihanouk at the last minute. Hanoi blamed the cancellation of the meeting to a visit Prince Monique, Sihanouk's wife, was at the time making to China and Thailand. She also went to ANS camps along the Thai-Kampuchean border and made a one day trip to Kuala Lumpur, where she was welcomed by the Malaysian Prime Minister, Dr Mahathir.

So far the two sides are not yet in direct contact. The solution favoured by both Sihanouk and Romanian President Ceausescu—the formation of a coalition government including the four Cambodian groups that would be automatically followed by a withdrawal of the Vietnamese troops—is still as elusive as ever. And the war, alas for the Cambodian people, goes on.

The flurry of diplomatic activity created by Sihanouk's decision to take a leave of absence has obscured the other arena of the Cambodia tragedy: the battleground.

On the Battlefield

By early June large groups of soldiers from the National Army of Democratic Kampuchea (NADK) were retreating in the direction of the Thai border. They came from

Western and North Western Kampuchea, from provinces as far away as Stung Treng and Kratie. Soon they numbered between 4,000 to 5,000.

Non-Communist resistance sources had the impression, sometimes reinforced by their own experience on the field, that life was becoming rather hard for the Khmer Rouge inside Kampuchea.

"They still cannot gain the full support of the local population" a Khmer military source told us. "The People's Army of Vietnam (PAVN) has been hard on the NADK. They are facing shortage of food and ammunition. They lost many of their caches."

One senior Khmer Rouge source admitted to us that "life is presently very hard for our troops" but denied there had been any major setbacks.

"We are not interested so much in strict military gains. What we are working on, what is the most important aspect of our struggle is the slow political taking-over of hundreds of villages in the Cambodian countryside. And we are preparing some important operations east of the Mekong river."

It is generally admitted by the Bangkok-based intelligence community that the Khmer Rouge, with superior equipment (including new, 107mm electrically operated rocket launchers from China) and provided with ample funds by Beijing, are fairly well-established inside the country. An important operation was indeed detected near Kompong Cham. Khmer Rouge sources said the NADK had concentrated troops about 15km east of the Mekong, south of Prek Por (about 80km from Phnom Penh). Another group was based in a village called "Poes," also in Kompong Cham province. Photographic evidence was made available by Khmer Rouge officials last July.

The large scale retreat by the NADK in Western Kampuchea intrigued several observers. Nobody denied that the PAVN had been active in the region. But one Western source noted that units of the National Sihanoukist Army, also based in Western Kampuchea, had been practically untouched by Vietnam. The withdrawal of important contingents of the NADK left the ANS to face the PAVN alone. Were the Khmer Rouge playing games with their Sihanoukist allies? A temporary retreat would leave the ANS unprotected while NADK soldiers were taking a rest at the border.

The Sihanoukist army itself was doing slightly better than expected. Probably its major accomplishment has been to finally put together the elements of a viable resupply system for its troops inside Cambodia. The departure, late June, from the Thai border, of a large column of several hundreds soldiers bringing large quantity of supply deep inside the country, was witnessed by independent observers.

Since the beginning of the year, the ANS—whose name has been changed in late July to "National" Sihanoukist Army instead of "Nationalist" Sihanoukist Army—has been able to maintain a few hundred troops from its 5th brigade in Kompong Thom province. It also now disposes of a few safe caches away from the border.

The Khmer People's National Liberation Front (KPNLF) is still on the verge of collapse. None of the personal conflicts that have been threatening the existence of the Front having been solved. The Commander-in-Chief, General Sak Sutsakhan wants to resign. Some of his closest aides are now in open conflict both with him and Son Sann, the civilian founder and leader of the Front.

Some of the KPNLF various military region commanders have nevertheless succeeded in maintaining at least a few troops inside, including some in Kompong Thom in the same district as the ANS—reports from both the Front and the ANS indicate a good degree of cooperation between the two non-communist forces. Both sides, though, complained about problems encountered with the Khmer Rouge. Having large amounts of cash, the NADK soldiers are able to buy rice at a much higher price than their nationalist partners. This alone is enough to create trouble for the survival of the non-communists inside Cambodia.

The PAVN has recently mounted several hard-hitting operations close to the Thai-Kampuchean border. After several months of fighting, the PAVN still controls the strategic Chong Bok pass, in the "Three Borders" area (Thailand, Laos, Kampuchea). It has also managed to block several other access routes, and ANS commanders at one time had to face the unpalatable prospect of losing all their access routes to Cambodia.

While Phnom Penh regularly celebrates the progress of the revolution, it still reminds its population that the war is going on.

"It is imperative to pay attention to combining work of militarily attacking the enemy with the political offensive into the enemy ranks, and to blocking all enemy passes along the border and their supply sources, causing greater division among their forces, greater difficulties in their livelihood, and more acute shortage of food, ammunition and medicine, thus further weakening them, leading them nearer to collapse, and compelling more of them to surrender."

So wrote the Party organ PRACHEACHON [THE PEOPLE] in an editorial later broadcast (5 August 1987) by the local radio.

The same editorial insisted on the importance of the militia in the present situation.

"It is imperative to streamline and vigorously push forward the military and security undertakings, clearly define the important tasks of the militia forces, of the district and provincial forces, and of the regular forces, and urge the militia force to closely cooperate with the local masses so that we can increase the efficiency in smashing the enemies and firmly defending the villages and communes."

By most accounts, local PRK militias are still under-trained and under-motivated. It makes it easier for the NADK and its political officers to conduct their own psychological warfare in the remote villages of Cambodia. This is why some independent observers are beginning to wonder how the People's Republic of Kampuchea is going to assume its own security when and indeed if Vietnam withdraws all its forces from Kampuchea by 1990.

The same observers have noted with some degree of interest that although since 1982 an annual withdrawal of Vietnamese troops takes place with much fanfare around May, by early September this year, no Vietnamese troops had left the country. The war, obviously, is not over.

/9604

SRV Construction, Mining Aid Projects Reviewed
42060136b Vientiane PASASON in Lao 30 Jul 87 p 3

[Article by Douang Dao written on the occasion of Laos-Vientiane Friendship Month: "Laos and Vietnam Cooperation in Construction"]

[Text] During the period of struggle against the American imperialists, the construction sector of Vietnam set up a construction company that was responsible only for construction cooperation in Laos. In a little over 20 years of lofty performance in Laos, construction company "K-2" of Vietnam has helped Laos with many projects in Viengsai District, Xieng Khouang Province, and Phonsavan. By the end of 1986 the company had successfully built a large, modern senior high school in Phonsavan District.

Over the past decade, construction cooperation between Laos and Vietnam has expanded at a new pace. The construction sector of Vietnam has provided assistance to the Laos gypsum mine in Savannakhet, which has had the capacity to produce 100,000 tons of gypsum per year since 1984, when Vietnam handed it over to direct control by Laos. According to the agreement, Vietnam is now working in cooperation with Laos on upgrading the gypsum production capacity at this location to 150,000 tons per year by the year 1990, and subsequently to 200,000 tons per year.

The SRV has also helped Laos to build a clinker factory in Vientiane that has the capacity to produce 10,000 tons of crushed [stone] per year, as well as to build a clinker production plant, in order to make Laos into a driving force in producing cement. At km 20, Vietnam has assisted Laos in constructing a new village where 30,000 people are living, including three major projects—a trade center, a school and a hotel—along with other services.

The construction sector of Vietnam has also assisted Laos by sending its experts for excavating and producing marble and "peng si." Starting in 1984, both Laos and Vietnam have carried out an exchange of goods whereby Vietnam sent many kinds of machinery and construction materials in exchange for Lao plywood.

In addition to the above cooperation, both sides have also exchanged delegations for the purpose of learning from each other's experience, including training technical cadres in gypsum mine management and controlling cement crushing machines at the midlevel vocational institute and the vocational school for technical workers under the construction sector of the SRV.

Sayaboury Border District Said To Confront Thai-Based Exiles

42060136c Vientiane PASASON in Lao 27 Jul 87 p 2

[Article by S. Saibiang: "Bo Ten District and National Defense and Security Work"]

[Excerpts] There are many obstacles to security work and the construction of the political base in villages and cantons in Bo Ten District. Its border adjoins Thailand for many kilometers. The border is marked only by a small stream. Within the district and along the border there are mostly high mountains and forest. The more than 17,000 local people in the underpopulated area. At many places on the other side of the Thai border the Thai ultrarightist reactionaries have set up military training camps for Lao reactionary exiles, who are then sent in to disturb the peace in the district.

The enemies have also taken into account the special characteristics of the physical features of the land, and they use these features to hide and enter; they look for schemes to seize Bo Ten District and swallow it up little by little.

Realizing its importance, the people of Bo Ten District in all four cantons constantly form a mass battlefront. Thus, they make effective use of their villages as outposts and the cantons as main fighting units. Each canton has a guerrilla mobile unit and a fixed unit. Many villages have guerrilla units that are capable of protecting their own localities, guerrilla units that are strong in organization, leadership and command. Regarding national defense and security work, each canton guerrilla unit has actively demonstrated bravery in carrying out its duty, especially in the first 6 months of this year when the Bo Ten District guerrilla force, in addition to working in economic construction, also organized work together with the regional force along the border to search for the Lao reactionary exile forces that sneak in to hide in various areas. It has also taken a turn each week in maintaining guard at outposts along the border.

In fulfillment of its duty, the Bo Ten District guerrilla unit has worked to limit incursions by counterrevolutionaries aimed at disturbing the peace in the locality. As a result of the strength of the guerrilla network, the people are free to pursue their livelihood work. The people throughout Bo Ten District do not ignore defense work. Each village and canton has become ears and eyes, day and night. Whenever the people go to work for their living, they are truly always the ears and eyes of the administrative committee and the military force. Comrade Douangchit, party secretary and chairman of Bo Ten District, told us that whenever reactionary soldiers sneaked in and engaged in antirevolutionary activity, spreading propaganda and slandering the local party policy, or whenever a stranger entered any village, each time the people of Bo Ten reported the fact without delay to the administrative organization and the military units that protect the security there. 9884/7310

Kaysone Signs Council of Ministers Order on State Taxes

42060136a Vientiane PASASON in Lao
30 Jul 87 pp 1, 2

[Order of the Council of Ministers on state taxes; date and place not given]

[Text] In implementation of the directives of the Fourth Party Congress and plenum 61 of the Council of Ministers on economic improvement and control, and to administer the tax policy in a consistent manner throughout the country so as to boost production, encourage all economic sectors to actively carry out business production in order to open up goods circulation extensively, to help establish the economic, agricultural, forestry and industrial infrastructure to bring about the averaging of income between social classes, to guarantee sources of income for the state treasury and to maintain stability in the currency markets and prices, the Council of Ministers has adopted the following decisions:

Article 1. All economic sectors of the state, collective organizations, state-private corporations and the private sector, including aliens, who conduct business in agriculture, forestry, industry, handicrafts, transport, construction, trade, exports and imports, socio cultural and other services, including earnings from rental income and from the salaries of those who work in for international organizations and foreign companies in Laos, must fulfill their obligation to contribute income to the state treasury in the form of taxes.

Article 2. The aim of the state tax policy is to encourage the practice of business accountability in state enterprises, collectives and state-private corporations, and to encourage the private sector to seriously invest in business production in various fields.

Industrial and manufacturing units that have just been revived or newly constructed will be exempt from taxes for 3 years starting from the inception of production and services.

Article 3. The government will collect taxes once for each [category]; for example, production, exports and imports and retail sales in a given period (1 month, 3 months, 6 months, and 1 year; in particular, imports and exports will be taxed each time) and will collect one type of tax.

The tax rate will depend greatly on the rate of profit or business income which is related to the type of business and the level of profit or loss for each type. Production and business units with normal business accountability will have tax rates in the form of a 3-5 year contract.

Article 4. In addition to agricultural taxes, the state will collect taxes at one tax rate for all economic sectors that carry out business in the same field.

The policy for taxes in each field is as follows:

A. The state will collect taxes in the form of products or money from co-ops and private sector entities that produce edible crops based on the level of growth and the land area. Those whose occupation is growing industrial trees and fruit trees will be taxed on the basis of the income for their produce. The tax rates will be fixed within 3 to 5 years from the year 1986.

Rice taxes fall into four categories:

1. For ricefields that yield more than 3,500 kg per hectare, 160 kg of paddy rice will be collected per hectare per year. 2. For ricefields that yield 3,000 kg per hectare, 140 kg of paddy rice per hectare will be collected each year. 3. For ricefields that yield 2,501 to 3,000 kg per hectare, the tax will be 112 kg per hectare per year of paddy rice. 4. For ricefields that yield less than 2,500 kg per hectare, 100 kg of paddy rice per hectare per year will be collected.

The tax on hill farming rice falls into two categories:

1. For slash-and-burn fields and cultivated fields, the tax will be 70 kg per hectare of paddy rice. 2. For plowed fields and contoured fields, the tax will be 40 kg per hectare.

Industrial trees and fruit trees that are grown as an occupation, such as coffee, cardamon and tea, will be taxed at 6 percent of income per year; for fruit trees, the tax per year will be 6 percent of income.

The state will exempt or reduce agricultural taxes in the following cases:

— Families of those who have sacrificed their lives or those who have become handicapped for the revolution, and for families of those who have leprosy. — Families that engage in hill farming or wet rice farming and whose average income from paddy rice is less than 100 kg per capita. — Those who replant contoured fields in mountainous areas will be exempt from taxes for 5 years; those who plant replacements for crops on flat land will have a 3-year tax exemption. — Those who revive ricefields that have been deserted for 2-4 years will be exempt from taxes for 2 years; for ricefields deserted for less than 2 years, the exemption will be for that period if there is adequate reason. — Land that has been shifted to plowed fields and settled farming will be exempt for 5 years.

B. Woodcutting taxes. Woodcutting business units must pay taxes so the government can use the money to protect and preserve the forests. The taxes will be collected by cubic meter depending on the type of wood, with a rate of 5 to 45 percent of industrial wholesale prices at the field.

C. Business taxes.

1. For domestic business production units:

— The state will collect business taxes from business production units in industrial, construction, transport and trade services after their distribution and services. The state will tax vehicle production units, export goods, transport, construction, medicine, and salt and paper production units at a lower rate than other products. The state will collect business taxes at only one rate (1 percent) for each type of goods or service.

— Cutting and manufacturing industries will be taxed at 0-75 percent of profit depending on the type of goods; the tax will be 0-5 percent of business income for handicrafts, 3 percent of the value of construction for basic construction, and 0-5 percent of business income for goods transport and passenger transportation. The tax will be 5 percent of business income for retail sales, 5-10 percent of business income for repair services, and 5-20 percent of business income for hotel, restaurant and other services. Those who engage in trading agricultural and forestry goods domestically by circulating goods on trips and who have not paid taxes will be taxed by the state by trip, based on the agricultural and forestry production units (all buffalos, cattle, pigs and each kilogram of forestry and ricefield product); the tax will be 6 percent of the general sales price at that time and in that area. The goods can be circulated throughout the country after the taxes have been paid. Retail merchants must pay taxes in the retail sales category.

There will be no tax on the family economy for cadres, soldiers, workers, government employees and co-op members.

2. Export-Import Business Enterprises:

There will be two types of export taxes:

— Strategic goods for export will be taxed on the basis of order no 18/LPDR of the Council of Ministers of 20 April 1987. — All types of ordinary goods will be taxed at one rate, from 1 to 30 percent of the export price at the border outposts of the LPDR or where the goods are handed over in the country that is making the purchase. Exports for paying off debts based on agreements between governments, cooperative projects, and samples of goods sent out for the purpose of finding markets will be exempt.

Import Taxes. Import taxes will be collected by percent of import prices in kip, by multiplying the purchase price by the currency and exchange rate. Import tax rates are set as follows:

Machinery, spare parts and raw materials	0-30 percent
Construction materials	0-60 percent
Items of everyday use	0-100 percent

When the import tax has been paid for goods, such goods can be circulated freely throughout the country. However, district taxes must be paid to the district treasury in the retail sales section. The state will exempt from taxes those imports that serve as special-purpose goods.

3. The state will collect taxes from those people whose income is from rental properties and from the salaries of those who work for foreign organizations located on Lao soil:

— Taxes on rental properties will be collected at a progressive rate, 30-60 percent of the rental value; — A tax of 5 to 10 percent of salary will be imposed on those who work for foreign organizations.

Article 5. In order to control all social activities and to decrease treasury administrative expenses, the state will set fees for non-business-related activities separately.

Article 6. Business registration. All business production units, including state and collective units, state and private corporations and the private sector, including aliens, who conduct business and production in Laos must have their businesses registered with the financial organizations at their own level, and they must pay business taxes.

Article 7. Financial organizations at each level have the sole right to collect various kinds of taxes, and most of the tax payments must be accomplished through the bank.

Article 8. Revenue cadres must respect the right of ownership for business units and the right of collective mastery for the people. The cadres should not exercise their right and duty in any way that is contrary to the tax policy of the government, they must reconsider cases of taxpayer complaints correctly and justly.

Article 9. The minister of finance has the duty of guiding, following up and monitoring the organization and implementation of this order, working in cooperation with all work sectors and administrative committees at all levels.

Article 10. Financial organizations at each level have the duty to work together with the administrative committees in disseminating this tax policy of the government throughout business units, co-ops, and among the people so that all of them will organize and implement the policy appropriately.

Article 11. This order is effective as of the date of signing. Any order that conflicts with the substance of this order is rescinded.

Vientiane, 26 June 1987

Kaysone Phomvihane

Chairman of the Council of Ministers

9884/7310

Paper Lauds Signing of Shipping Accord with PRC

42050003a Kuala Lumpur *NANYANG SIANG PAO* in Chinese 10 Sep 87 p 2

[Editorial: "Malaysia, China Sign Shipping Agreement"]

[Text] Malaysia and the PRC yesterday formally signed a long-planned bilateral shipping agreement, thereby strengthening further the trade and economic cooperation between the two countries. This was one of the substantive results achieved by Deputy Prime Minister Ghafar Baba's visit to China

The gist of the Malaysia-PRC shipping accord includes the following points: In sea transportation, merchant ships of both countries enjoy equal rights and opportunities, and each side will give the merchantmen and seamen of the other side most favorable treatment while berthed at the wharves there.

The signing of the shipping accord carries great significance to the promotion of navigation connection and expansion of direct trade between the two countries. Although Malaysia and China early in 1974 already established diplomatic ties, yet trade between the two countries has mainly been carried out through third parties up till now. In the wake of this shipping accord and pending the signing of another agreement concerning the avoidance of double taxation, direct trade between the two countries will be intensifiable.

There is no doubt that bilateral relations have made adequate progress since the establishment of Malaysia-China diplomatic ties 13 years ago, but the growth in volume of bilateral trade has been considerably slow. For example, the volume of last year's two-way trade was M\$1,149,800,000 (of which Malaysia imported from China commodities valued at M\$727,750,000 and exported to China M\$422,110,000-worth Malaysian goods), representing the negligible below 2 percent of Malaysia's total foreign trade in a normal year.

Admittedly, there has been some increase in the two-way trade volume between Malaysia and China, but the items of commodities have been limited. Our imports from the PRC consist mainly of foodstuff, plus machinery and other finished products. As regards our exports to China, they consist virtually of the same primary products, mainly natural rubber, palm oil, tung oil and, most recently, cocoa. It must be pointed out that in this bilateral trade, our country has always been in the unfavorable position. Consequently, one of the aims of our deputy prime minister's visit to China was how to open up China's market for our primary products and other finished and semifinished commodities by way of rectifying the prevailing trade imbalance.

Of course, the strengthening of Malaysian-Chinese economic cooperation is not restricted to trade. Leaders of both countries agree that Malaysia-PRC relations possess "great potential for development." As a matter of fact, China has adopted an economic open-door policy, offering various countries investment and joint-venture opportunities. Our deputy prime minister admitted that we were late and slow in participating in economic activities in China, but we continue to hope for vigorous, equal and sincere participation.

In reality, the visit to China of Prime Minister Dr Mahathir 2 years ago evoked great interest of local businessmen in looking into the viability of investing some capital in China. The Kuok Group Holding Company and the First Holding Company have found differing degrees of a foothold in China through their participation in joint ventures there.

It cannot be denied that as follow-ups to mutual contacts and visits of government officials and business groups, both sides have established a more friendly and closer cooperative relationship. But hindrances still exist that need to be overcome speedily, if we wish to develop our economic and trade relations with the PRC. These stumbling blocks include the issues of import taxes China levies on our commodities, of the import permit requirements for China's commodities to be marketed in Malaysia, and of the restrictions of local businessmen to visit China for commercial purposes. These are the main reasons why a Malaysia-China trade agreement has not been signed up till this moment. What is encouraging is that Rafidah, the minister of trade and industry, recently disclosed that the date for the signing of this accord is just around the corner, as most of the articles in the draft have been mutually agreed upon.

In addition to concluding the shipping agreement and opening up the bilateral trade and economic cooperation, the delegation led by Deputy Prime Minister Ghafar Baba also explored other problems during its 1-week visit to Beijing, such as establishment of an aviation cooperation. We firmly believe that through the deputy prime minister's journey, the development of Malaysia-China relations will lead to brighter prospects.

9300/12232

UMNO Strength Depicted as Pillar for Future of Malay Community

42130018c Kuala Lumpur *BERITA MINGGU* in Malay 11 Oct 87 p 8

[Text] It is reported that the special committee of UMNO [United Malay National Organization] established by the Supreme Council of the organization will meet on 12 October with 12 party members who will present their criticism of the organization. This will be done in search of a solution to this question outside the courts. Datuk Abdullah Ahmad Badawi, a member of the special committee who is also deputy president of

UMNO, said that this effort to resolve the question will be given priority because only 5 more days remain of the time permitted by the courts. Datuk Abdullah and several other members of the special committee were previously convinced that the case could be settled properly outside of court, in the interests of the future of UMNO and of the Malay community. Of course, this is the hope of the membership of UMNO as a whole.

In any case, it seems that this hope depends on the fact that 6 of the 12 UMNO members apparently are presenting conditions which will be virtually impossible to meet. According to a report of 10 October from Kota Bharu [Kelantan], 6 of the 12 UMNO members who are criticizing the party are prepared to withdraw their accusations if the president of UMNO publicly declares that the party congress and portions of its declaration were illegal and were not in accordance with its constitution. If what was reported is correct, it seems incredible that this request could be satisfied. If this request is met, it means that UMNO will do nothing more than campaign for elections at the party congress. Certainly, this would not benefit UMNO, because, as we all know, the party would be weakened and its integrity would be subject to dispute if there is too much campaigning and if elections for the party leadership are held too often.

Members of UMNO have often been warned that the strength and future of the Malay community depend on the strength of UMNO. If UMNO is weak, this means that the political strength of the Malay community will be weak. Essentially, no one can deny this, because up to the present UMNO has been the Malay pillar of strength and the heart of the country. In fact other groups are paying attention to the strength of UMNO. They will certainly take advantage of any weakness to reduce the political strength and influence of the Malay community. UMNO members who do not take a shortsighted view of things certainly can see how other political parties are prepared to cooperate with opposition parties, if only because they are looking for issues which benefit them. It appears that a number of issues raised by other political parties, including relationships within the National Front itself, are associated with the condition of UMNO at present. A strong UMNO is not only good for the Malay community but also for the National Front.

All members of UMNO hope that the party, which has already performed many services for the Malay community and the country, will be preserved from destruction. A weak UMNO will not only be damaging to the Malay community but also to the country. Future generations of Malays will certainly suffer the evil consequences if the present generation of UMNO members attaches greater priority to personal feelings and party matters of small significance, rather than trying to remain loyal to UMNO. At a time when the Malay community is faced with a number of challenges, it will be unfortunate if their party engages in a test of strength.

All groups involved in the effort to resolve this issue outside the courts certainly bear a very great responsibility. Responsibility will preserve the courage and strength of UMNO. Precisely for that reason, in the interests of the future of UMNO and of the Malay community, all of those involved in the effort to resolve this case outside the courts should give priority to the future of the Malay community and UMNO, rather than anything else. In fact, it is not a question of ourselves or our friends which is involved but the future of our children and all of our descendants. There is no more valuable experience than to see the party, which has now existed for more than a quarter of a century, continue to stand up firmly and to be respected. And let all of the feelings of humiliation and dissatisfaction be resolved through the party structure, because what is going on now is enough to teach every UMNO member who needs to study it.

05170

Acquisition of New Military Equipment Expected
42130018a Kuala Lumpur *BERITA HARIAN in Malay*
8 Oct 87 p 2

[Text] Kuala Lumpur, 7 October—The Malaysian Armed Forces plan to increase the capabilities of all of its components by the year 2000.

It also is planning to purchase a number of items of equipment, including submarines. Gen Tan Sri Hashim Mohammed Ali, 52 years old and the new commander of the armed forces, stated that they will purchase at least three submarines for the Royal Malaysian Navy (TLDM), fighter aircraft for the Royal Malaysian Air Force (TUDM), and medium caliber artillery and low level air defense weapons for the Malaysian Army.

Speaking to reporters in his office in Kuala Lumpur, he said that neighboring countries already have submarines. For that reason, Malaysia also needs them.

In any case, the purchase of all of this equipment will depend on the economic situation.

On 7 October Gen Tan Sri Hashim entered on his new duties after they were transferred to him by Gen Tan Sri Ghazali Che Mat. He said that he would continue to implement the armed forces development plan which had been approved by the Ministry of Defense.

Impressive

He said: "I will continue to apply this basic plan in accordance with the financial directives which have been and will be approved by the government."

According to the general, the priority for the armed forces at the present time is the construction of housing for the families of its members and the purchase of needed weapons.

Regarding the effort to attract more non-Malays to join the armed forces, he has directed the Office of Community Relations to study the possibility of placing recruitment advertisements in the Chinese and Tamil language newspapers and in broadcasts on the Green and Red Channels of the Malaysian Radio and Television Service, in addition to using normal information channels.

This will be done because up to the present the response of non-Malays has not been very encouraging. In 1986 98 percent of the 30,000 applicants for entry into the armed forces were Malays, 1 percent were Indians, and 0.3 percent were Chinese.

He said: "The armed forces are a place for unifying the people, because here they work together, play together, and, if necessary, die together."

Regarding his installation in office as commander of the armed forces, he stated: "It is a special distinction and an honor for me."

He was grateful to have been given this office and thanked the responsible official and the government for this appointment.

He said: "My duties are a little overwhelming at present." He said: "I wish to emphasize the development of the Army, Navy, and Air Force, so that they will become an impressive organization." He added: "The economic austerity program will be continued. We will determine our priorities carefully."

05170

Minister Anwar Promises Solution to Chinese Schools Controversy

Agreement in Principle

42050003c Kuala Lumpur *NANYANG SIANG PAO* in Chinese 12 Sep 87 p 6

[Text] Education Minister Anwar Ibrahim has promised top leaders of the Malaysian People's Movement [Gerakan] that in principle the Education Ministry will work for a solution to the controversy of placing non-Chinese-speaking administrators in Chinese schools.

Last Saturday and on Wednesday and Thursday this week, Gerakan's President Datuk Dr Lim Keng Yaik, Secretary General Kerk Choo Ting and its Youth Wing leader Dr Koh Tsu Koon separately called on the education minister to discuss this problem and succeeded in obtaining the latter's promise.

This was disclosed by Dr Koh, concurrently deputy director of Gerakan's Education Section in his talk with reporters at a certain health center today.

He pointed out, however, that one of the stumbling blocks in this matter is that the Education Ministry's notices assigning non-Chinese speaking teachers to Chinese Schools as a promotion to the teachers concerned may create a dilemma in the legal process.

Deputy Minister's Clarification

42050003c Kuala Lumpur *NANYANG SIANG PAO* in Chinese 15 Sep 87 p 7

[Text] Woon See Chin, the deputy education minister, believes that it is inappropriate for the Education Bureau in Penang to transfer non-Chinese-speaking teachers to assume senior administrative duties in Chinese schools.

He said that the Education Ministry at present is considering adopting two ways to solve this problem.

One of the ways is to transfer the teachers concerned back to national primary schools to fill the positions vacated by teachers who will be promoted elsewhere in the middle of October.

The other way is to give Chinese school teachers another opportunity to apply for promotions and those who succeed in the tests will be assigned to Chinese schools as senior administrators.

But we have to wait until the middle of October to know how many national primary school teachers will get promotions, he added.

Deputy Minister Woon See Chin was making a clarification to representatives of the Federation of Chinese School Teachers and Trustees who were received by the deputy minister at his office.

Deputy Minister Woon said that he had discussed the matter with the director of the Services Division of the Education Ministry and the vice director of the Penang Education Bureau.

He also said that he had instructed the education bureaus in the Federal Territory and Perlis to pay attention to similar problems and to make sure that teachers who are to be promoted as senior administrators in Chinese schools must be well versed in the Chinese language.

Woon See Chin said that the Education Ministry regards as inappropriate the dispatching of non-Chinese-speaking teachers to Chinese schools to assume the duties of senior administrators. The reason is that the main medium of teaching in Chinese primary schools is the Chinese language, and the same thing applies to the inculcation of moral breeding. It would be difficult for a non-Chinese-speaking teacher to give instruction and guidance and to run a Chinese primary school.

He said that the reason the Penang Education Bureau could not send Chinese-speaking teachers to Chinese schools to work as senior administrators was because there were too few Chinese primary school teachers who applied for a promotion.

9300/12232

Resolutions of Chinese Chamber of Commerce Congress

Equal Opportunities Urged

42040003b Kuala Lumpur *NANYANG SIANG PAO* in Chinese 12 Sep 87 p 3

[Excerpts] The Malaysia Chinese Chamber of Commerce today opened its 41st annual congress at Kota Bharu, Kelantan and passed 45 resolutions concerning problems on social and economic policies, industrial and commercial development, taxation, transportation, and politics and society.

The congress—affirms that the New Economic Policy [NEP] should not be extended beyond 1990 and urges the government to discard the policy of "compulsory restructuring of society" which would strike a blow to private investment aspirations; furthermore, urges the government that in formulating policies on the national economy, it should coordinate with the current economic situation on the principles of growth of the economy, benefit of the people and equal and fair competition among all nationalities in order to coincide with the government's emphasis on free competition in foreign trade; opposes protectionism in a letter and spirit.

—Urges the government that before drawing up a new economic policy as the expiration of the NEP in 1990, it should let the entire people have the opportunities to take part, discuss and express opinions in the process.

—Urges government departments to exercise fairness in hiring employees of various nationalities.

—Urges the government that, in inviting tenders for big or small projects, it should offer all bumiputras and nonbumiputras equal and fair opportunities for offering their bids.

—Urges the government that, in consideration of the rights and interests of all nationalities, it should give equal opportunities for their participation in all privatization plans with the view to promoting national harmony, unity and the sharing of the national's economic pie.

—Urges the government not to give foreign bidders any engineering project which can be completed by local contractors.

—Urges the government to legislate a law to the effect that all nationalities in our country be regarded as Malaysian people, instead of classifying them as bumiputras and nonbumiputras, in order to eradicate racial polarization and to promote true unity among the entire people.

—Urges the government not to achieve its objective of society restructuring through compulsory and divisive means; deplores the statement made by Deputy Prime Minister Ghafar Baba purporting that after 1990 the wealth of the nation will be shared 50-50 between the bumiputra and nonbumiputra groups.

—Urges the Malaysian Chinese Chamber of Commerce and all its affiliates and subsidiaries to speedily pool their efforts and resources to tackle any possible major social or economic problems breaking out in the future, so that a uniform direction and action can be taken to safeguard the due rights and interests of Chinese society.

—Urges the Malaysian Chinese Chamber of Commerce to organize and convene an economic conference to study the trends of big enterprises with Chinese capital.

—Urges the government to adopt an effective strategy for the creation of favorable investment climate with the view to expediting our nation's economic upturn.

—Urges the Bank Negara [State Bank] to take appropriate and effective measures in pressing domestic commercial banks, especially those controlled by our fellow countrymen, to lower their commercial-loan interest rates to a reasonable level in order to minimize the heavy interest burden shouldered by industrial and commercial circles and to help speed up our economic revival at a time when interests on fixed deposits and savings accounts are dropping by a wide margin.

The congress firmly supports the 1985 joint statement of All-Malaysia Chinese Associations and the decision made by a 15-member Chinese leading organization to implement the 9 major objectives stipulated in the first stage of the said joint statement.

—Urges the government to adopt effective measures in strictly curbing politicians, scholars and other circles from over expressing extremist views or taking prejudicial actions, to avert the aggravation of national disunity and ethnic polarization.

—Firmly asks National University authorities to take disciplinary action, sanctioning those fanatically racist students whose harassed ethnic-Chinese fellow students while performing lion dances in campus.

—Urges University of Malaya's Appraisal Committee to rescind the regulation requiring that the medium of teaching for elective courses (such as Chinese and Tamil languages) in the College of Arts and Literature must be the Malay language.

—Opposes Malacca Bureau of Education's order requiring the mass recitation of pledges and prayers of Islamic flavor before classes are begun and dismissed everyday in mainstream schools.

—Requests the Information Department to increase the screening of Chinese movies in the Chinese language program in order to fulfill the wishes of ethnic-Chinese viewers.

—Urges the police to take more vigorous and effective measures in tackling the mounting serious security problems.

—Urges the government to regard the problem of 24 deposit-taking cooperatives as an integral part of national problems, by implementing the solution plans recently announced by the Bank Negara, guaranteeing the safety of profits of the 580,000 depositors; urges leaders of all ethnic-Chinese political parties to push and supervise the implementation of the solution.

—Proposes that all government departments accept bank checks written out in Chinese.

—Urges the Bureau of Immigration to authorize all immigration branches in Sarawak the right to issue international passports.

—Requests the government to lower the age restriction to 50 years for persons who apply for a permit to visit the PRC for family or private reasons.

Chamber of Commerce President's Speech

42050003b Kuala Lumpur *NANYANG SIANG PAO* in Chinese 12 Sep 87 p 3

[Excerpts] Tan Sri Datuk Wee Boon Ping, president of the Malaysian Chinese Chamber of Commerce, believes that the most pressing national problem is how to promote the early upturn of the economy.

He appealed to government authorities to take effective measures forthwith to curb the rampaging sensitive speeches and deeds in all quarters which damage racial harmony in the country, in order to guarantee our racial harmony and political stability.

At the same time, he appealed to the Chinese community to deal with the current trend with cool head and heart, in order to avert falling prey to racist sentiments in all forms and manifestations.

He expressed hope that in facing this historic turn of crucial moments, all Chinese-based political parties should banish personal interests in favor of public good by seeking common grounds with other groups, joining hands through consultations and seeking a sound strategy and correct way for Chinese society to meet an emergency.

Tan Sri Wee Boon Ping was speaking at the Malaysian Chinese Chamber of Commerce's 41st annual congress in Kota Bharu, Kelantan today.

He said that the recent incident at the Seafood Festival in Johar Bharu, Johore, where booths were forbidden to use Chinese characters to attract customers, was a happening that infuriated the Chinese community. We protest the stubborn racist attitude by which Johore's chief minister dealt with the incident, because it not only hurts the harmonious relationship among the people, but also deals a serious blow to the development of domestic tourism and the trust of investors.

Speaking of organization affairs, Mr Wee said that in the past year the Chamber of Congress has been carrying on with its activities as planned.

"To implement the concept of government-private cooperation, we maintain our contact and dialogue with various government departments, especially the Ministry of Trade and Industry and the Finance Ministry, in seeking ways to overcome various difficulties faced by Chinese commercial and industrial circles and to improve the environment and climate for investment.

"In promoting international trade, for nearly a year we have continued strengthening our contacts with foreign chambers of commerce and representatives of trade delegations from various countries, including China, Taiwan, Hong Kong, Japan, South Korea and other ASEAN members. most recently, to coordinate with the visit of the deputy prime minister to the PRC, our organization presented a memorandum on Malaysia-China trade problems, stressing our consistent stand and views. We hope that in his visit the deputy prime minister will succeed in concluding a formal trade accord with China, so that a breakthrough will be achieved for the development of economic cooperation between the two countries."

Mr Wee said that his organization continues to promote activities toward the formation of a Chinese-Malay Chamber of Commerce Council and to keep up contact and cooperation.

9300/12232

MCA Official Views Members Recruitment Drive, NEP

42050003e Kuala Lumpur *NANYANG SIANG PAO* in Chinese 15 Sep 87 p 9

[Excerpts] Ng Cheng Kuai, secretary general of the Youth Wing of the Malaysian Chinese Association (MCA), pointed out that the party's current wildfire-like membership recruitment drive has three objectives. They are to solve the problem of deposit-taking cooperatives, to consolidate its economic position and to serve as bargaining conditions in the review of the NEP.

Mr Ng was speaking at a membership recruitment drive at the MCA Building in Kuantan the night before last.

He pointed out that through this recruitment drive, the MCA will establish its basic standpoint and find itself in a better position to play its role in practical politics.

He also said that this effort will enable the party to operate better than before and to avert being described as a half-dead political party by outsiders.

As the minister of national and rural development, Ng Cheng Kuai believes that to the Chinese people, the NEP is a crucial turning point which will decide the fate of this generation and the next. On this score, the MCA must achieve success, for there is no room for failure.

"Consequently, the MCA must muster its energy to carry out its bargaining conditions with the United Malays National Organization."

Mr Ng indicated that party members cannot afford to wait passively for breakthrough opportunities, or else they would remain stagnant; they must take the initiative to get a breakthrough.

He said that after the membership recruitment drive is over, the MCA will streamline its organization and management in order to regain the support of the Chinese nationals.

Mr Ng, who is a member of MCA's Central Committee, pointed out that the three states on the east coast constitute one of the seven regions where a vigorous recruitment drive is being carried out. The target for each region is 10,000 new permanent members.

9300/12232

SUPP Chief on Chinese-Language Education, NEP

42050003d Kuala Lumpur *NANYANG SIANG PAO* in Chinese 27 Sep 87 p 3

[Text] Datuk Amar Stephen Yong, president of the Sarawak United People's Party (SUPP), today termed the problem of education as a sensitive issue to ethnic-Chinese Citizens, adding that Chinese society's concern over the language may be likened to the Malays' concern over Islamic teaching.

Datuk Stephen Yong, concurrently minister of science, technology and environment, pointed out that it is quite understandable for the Chinese to pay attention to the government's education policy and to bring up the issue of safeguarding Chinese-language education, and that this concept will not lower the degree of their loyalty to king and country.

Datuk Yong was speaking at a SUPP convention held at the Village Golf Club in Kuching this morning.

He said that textbooks of Chinese schools equally give guidance and instruction for students to become patriots and good citizens; at the same time, Chinese students also learn Malay and accept it as our national language.

He said that the right for all nationalities to learn and utilize their respective mother tongues should not be curtailed, for this right is stipulated in our constitution.

Speaking about economic issues, Datuk Yong said that the issue most hotly discussed in the Malaysian western peninsula concerns the NEP which will be reviewed in 1990. He said that while this policy has achieved successes in many respects, it has not reached the major objective of poverty eradication from the people's lives. Many people have seen and heard of irregularities in the implementation of the NEP, including the appointments and promotions of government officials. With the cooperation of member parties of the National Front, a committee should be formed to examine the current New Economic Policies and discard the unreasonable portions.

9300/12232

Paper Reports on Gas Production, Reserves

42130018b Kuala Lumpur *UTUSAN MALAYSIA* in Malay 10 Oct 87 p 16

[Text] Kuala Lumpur, 9 October—Malaysia is the 13th largest world producer of natural gas with reserves of 52 trillion cubic feet.

Datuk Murad Hashim, first deputy president of Petronas [National Oil Company], said that if calculated in petroleum terms, natural gas reserves amount to about 9.5 billion tons, or 3 times greater than total Malaysian petroleum reserves.

Furthermore, he added, from the point of view of production, the natural gas will last for more than 100 years.

Datuk Murad made these statements at a symposium entitled "Basis for the Use of Natural Gas" held at a meeting of the Thailand Petroleum Institute in Pattaya, Thailand. The text of his speech was distributed in Kuala Lumpur.

According to Datuk Murad, Malaysia is producing natural gas from available reserves from 33 oil and gas wells in the offshore areas of Trengganu, Sabah, and Sarawak.

Regarding the basic use of natural gas in Malaysia, it still is at the development stage.

One of these uses would involve encouraging the employment of natural gas in the transportation sector, in order to reduce the 100 percent dependence on the petroleum in this area.

In this context Datuk Murad added that this use of natural gas began in 1982 with the introduction of compressed natural gas (CNG) stations.

He declared: "Although only 1 percent per thousand vehicles in Malaysia have installed processing units for using natural gas, Petronas plans to increase the number of CNG stations even further." He added that Petronas also plans to provide incentives to various groups to encourage the use of natural gas. Over time this will provide pressure for an increased use of natural gas.

He stated: "In this context, by the year 2000 it is planned to have at least 10 percent of all vehicles in this country, which now total 230,000 units, using natural gas."

In any case, he said, this question is still under study, because at present the government is losing money on the revenue side. This is due to the fact that the taxes collected on CNG or LPG [Liquified Petroleum Gas] are lower than those on gasoline.

He said: "It is necessary to state that some of the losses in revenue experienced in the collection of this tax may be made up initially through the company gas distributors' tax, which is applied to transportation operations, such as buses or taxis."

05170

Opinion Leaders View Philippine Instability, U.S. Bases

Academic Weighs Bases Issues

42070028 Bangkok MATICHON SUT SAPDA in Thai
26 Jul 87 pp 42, 43

[Article by Sida Sonsi, Faculty of Political Science, Thammasat University: "The U.S. Military Bases in the Philippines"]

[Excerpts] The U.S. military bases in the Philippines, which are located on 200,000 hectares of land, were established based on the Military Aid Treaty signed on 14 March 1947 and the Joint U.S.-Philippine Defense Treaty signed on 30 August 1951.

Neither of these treaties says anything about Philippine activities on these bases. What they do state very clearly is that the United States has permission to use this land in carrying on the activities of the military bases. Besides this, the activities of the soldiers and other American officials on the bases are not subject to Philippine law. And if Philippine officials on the bases commit a crime, they are to be tried by a special U.S. court.

Because of the conditions imposed by these two treaties, many Philippine leaders have tried to negotiate with the United States in order to revise the treaties.

In 1983, President Reagan asked that the lease on the bases be extended in 5-year intervals through 1991. The United States proposed implementing economic and social development measures to improve conditions around the bases and said that it would increase its security aid to \$900 million per 5-year period. It said that it would give the Philippines \$125 million in military aid, provide another \$300 million in credits for the purchase of weapons, and give \$475 million in economic aid.

Marcos agreed to this, because this was enough money to benefit the Philippines. Marcos agreed to this with the proviso that military activities involving the use of the bases not covered in the Joint U.S.-Philippine Treaty or the Manila Pact (signed when SEATO was established) would first have to be considered and approved by the Philippine government.

This agreement on U.S. bases in the Philippines will expire in 1991. The Philippine government has not decided whether to extend the lease treaty. In view of this, what the Philippine government needs to consider now is:

1. A real study concerning the long-term advantages and disadvantages to the Philippines should be conducted before the treaty on the bases expires.

2. If the Philippine government wants to remove the U.S. bases, there must be cordial negotiations between the leaders of the two countries for the economic interests of the Philippines in the future. Because the Philippines still needs economic aid from the United States.

3. If the government decides to allow the U.S. bases to remain, it should negotiate a new treaty and agreement, giving greater consideration to the political, economic, and social benefits surrounding the bases.

4. The Philippines should adjust its economy to make it stronger. It should find others on whom it can rely instead of relying solely on the United States, and it should try to become more self-sufficient.

5. The Philippines must improve its internal political situation. Because once the internal political situation has been stabilized, the economy will improve, too. Investment will increase.

6. The Philippines should remain neutral within the framework of ASEAN (ZOPFAN). It should not allow any great power to gain too much power within the country.

7. The Philippines should not consider just its own interests. It should also consider the interests of its ASEAN neighbors from the standpoint of the security of these countries.

Considering the decision to be made by the Philippines, the Philippines should consider the benefits to be gained in exchange for allowing the U.S. bases to remain in the future. And when that time comes, the government must consider the nation's interests once again. However, the government's policy is to sound out public opinion 1 year before the treaty expires in order to find out whether the people want the bases to remain. The people will be the ones to make the final decision after the government has explained the advantages and disadvantages to them. It must also be seen whether the U.S. government has any new proposals to make to the Philippines.

The reasons why people, including those who support the government, those who are neutral, and the right wing and the left wing, want the U.S. bases removed from the Philippines can be summarized as follows:

1. Nuclear weapons are stockpiled at these bases. This could pose a danger to the Philippine people in the future.

2. If fighting breaks out in Southeast Asia, the U.S. bases in the Philippines, which signed the Manila Pact, will immediately become involved in the fighting. The Philippines will become a battlefield in Southeast Asia just like Vietnam in the past. The Philippines will suffer greater losses than any other country in the region.

3. Because of the presence of U.S. military forces in the Philippines, other countries do not regard the Philippines as neutral as called for by the ASEAN agreement.

4. This has generated greater tension and increased the misunderstanding between the government and the communists and southern separatists. This is because weapons from the U.S. bases have been used to suppress these groups.

5. Slums have grown up around the bases, because the United States has not done enough to develop the environment around the bases.

6. The number of prostitutes and places of entertainment has increased greatly. These places provide a source of livelihood for many people. There are more than 500 bars here, and more than 5,000 prostitutes work near the bases.

7. Many fatherless children have been abandoned. The Philippine government must take steps to solve this problem.

8. Philippine and American wages are different. Based on U.S. law, Filipinos can be replaced by Americans if they do not do a satisfactory job. Wage rates are set in accord with U.S. law. As a result, there have been frequent demonstrations at the bases.

9. The land around the Subic and Clark bases are rich in minerals, and this is some of the best agricultural land in the country. Because of the presence of these bases, the Philippines is losing land that could bring great economic benefits to the country.

10. Few Filipinos believe that the military and economic aid given by the United States is really meant to help the Philippines. They believe that the United States gives aid to its allies in order to strengthen its own security.

Considering the disadvantages of allowing these bases to remain, the problem for the government in 1991 is to take action on these bases in accord with the demands of the people, who have been demanding the expulsion of these bases since the time of Marcos.

If the public opinion poll shows that the people want the bases removed, the government will face the problem of losing the huge sums of economic aid that the United States has provided. What can the government do? What the government must do now is to start seeking new sources of economic support (it has already begun doing this). It must also take steps to find jobs for those now employed at the bases and to deal with the problems created by the United States.

One question is, If these bases are removed from the Philippines, where will they be relocated? This is something worth thinking about. Because according to the Manila Pact, which was signed by the members of

SEATO, which includes the Philippines and Thailand, these bases should remain in this region. Even though SEATO has now been disbanded, the Manila Pact is still in effect in accord with the agreement reached by the members. Thus, the issue of the U.S. military bases in the Philippines is an important issue that bears watching.

Columnist Views Aquino Prospects

42070028 Bangkok SIAM RAT in Thai 23 Sep 87 p 12

[Article by Chaiyawat Yonpiam: "The Philippines, Aquino's Dark Point"]

[Text] In the Philippines, it is frequently the case that if a crisis arises, the crisis is usually followed by complications of some sort. There is never any final resolution. The events that have taken place since President Marcos was toppled almost 2 years ago have proven this.

One thing after another has gone wrong in the Philippines. Most recently, there has been the fallout in the wake of the unsuccessful military coup on 28 August. Besides leading to the resignation of the entire cabinet, this has led to a series of unsolved killings, which has become a major issue.

At the end of last week, an important leftwing leader, Mr Leandro Alejandro, was shot and killed while leaving his office. This sparked calls for protest demonstrations. But this time, it seems that most people in Manila were too tired. As a result, the protest demonstration did not draw much support and ended peacefully. But the shouts of the Philippine leftwing are growing louder. The leftwing charges that Aquino is leaning more and more toward a military policy. The assassination of a prominent leftwing leader will undoubtedly force the leftists, which includes the communists in the country, to change their tactics.

Actually, Mr Leandro Alejandro is not the first leftwing leader to be assassinated in the capital. Mr Rolando Olalia, another important leftwing leader, was assassinated last November, and the killer has still not been found. He was taken captive, tortured, and shot. His body was then dumped along the side of the road.

As a result of the killing of two important leftwing leaders who became involved in politics, the leftwing's view of the Aquino government will certainly harden. In particular, in the wake of the attempted coup at the end of last month, the leftists have begun criticizing Mrs Aquino, charging that she is leaning toward the fascist right in order to please the military.

In view of the fact that people have been assassinated and their killers have gone unpunished, it's only natural that leftwing leaders in various circles have gone underground. This has promoted the harsh view of the outlawed Philippine communist party, which has spent the

last year evaluating the position of the Aquino government. It does not feel that this government is much different from the government of former President Marcos even though Mrs Aquino claims that her government is a democratic government.

The assassination of these leftwing leaders has ended any hope of having the leftists wage a political struggle openly by establishing a party and waging their struggle within the democratic system. The attempt to separate the hardline Philippine communists from the more moderate leftists has ended in failure. The leftwing, including the moderates, the communists, and the New People's Army (NPA), are now united again.

There is now doubt about whether it will be possible to allow the leftists to wage a political struggle openly in the future. But what is certain is that the government has grown even more weary than before in its struggle with the communists. After people became fed up with the Marcos regime, the communist NPA, which had been created 15 years prior to that, became the strongest anti-government communist force in Asia.

The Communist Party of the Philippines (CPP) and the NPA were established with Maoist ideals during the 1960s. They have grown and developed into a true revolutionary movement with a fearsome size and structure. But it took 12 years for people to find out whether these communists had close relations with China or the Soviet Union. The communists succeeded in portraying themselves as Philippine nationalists. This image enabled the outlawed CPP to attract more and more people.

Even though this communist party stumbled because of the sudden political events that led to the downfall of former President Marcos last February, it did not take the party too long to rebuild its political forces after President Aquino was forced to side with the rightwing in order to reduce the disorder in the military. The claim by leftist activists that Philippine democracy may not last much longer and that it does not run very deep may strike a sympathetic chord among youths and others who have not been politically indoctrinated.

The problem is, if President Aquino comes under strong pressure from leftwing activists who are unwilling to show any flexibility and from rightwing activists in the military, the only choice open to her will be to use resolute measures. And the victims of these measures will be the leftists. But nothing that has happened has caused the communist party or its various movements to give up or have a change of heart.

Editorial Sees Lessons for Thai

42070028 Bangkok SIAM RAT in Thai 29 Aug 87 p 8

[Editorial: "Lesson From the Philippines"]

[Excerpt] The forces inside the Philippines have now divided into three separate factions. The first faction continues to support the return of former President

Ferdinand Marcos. The second faction supports Juan Ponce Enrile, and the third supports President Aquino. Thus, it can be seen that the situation in the Philippines is still very unstable politically. Those who want to take power from the government will probably continue to do everything they can to seize state power for themselves. This makes it very difficult to revive the country economically. The government has little time to administer things, because it is bogged down in this turmoil.

The clear division into factions in the Philippines provides a lesson to which leaders in Thailand should pay heed. The lesson is that selfishness can easily lead to splits and create turmoil within the country. Why can't our leaders get together and solve the country's problems in a spirit of reasonableness and compromise instead of being stubborn? If they want Thailand to split apart, all they have to do is continue their efforts to destroy our solidarity.

Academic Overview of Problems

42070028 Bangkok MATICHON in Thai 2 Sep 87 p 7

[Article by Sida Sonssi, Faculty of Political Science, Thammasat University: "The Revolution in the Philippines"]

[Excerpts]

Internal Factors

The internal factors that have helped to bring about several coups, including this one, are: 1. The loyalty of Marcos' underlings to Marcos: This factor plays a very important role in the Philippines, because the number of followers whom Marcos supported for 20 years is very large. Among these are soldiers, businessmen, government officials, and local leaders, particularly in Ilocos in the north, Cebu in the south, and around the capital.

In the past, Marcos gave positions and money and granted tax exemptions to his followers in exchange for their loyalty. The profits were immense. Moreover, in a Catholic society such as the Philippines, the patron is like a father to whom the people owe much gratitude. This feeling is still deeply embedded in Marcos' followers even today.

Marcos' followers have made an effort to restore him to power. In each coup, the coup makers have always been loyal followers of Marcos. As long as there are still Marcos followers living in the Philippines, there will continue to be political, economic, and social turmoil until Marcos returns.

2. Prestige of the leader: There are a number of older leaders in the Philippines who still have faith in the prestige of Marcos. These include people who were active at the time that Marcos first came to power in 1965. They believe that Marcos is a man of great ability.

This is because they saw the progress that the country made just after Marcos came to power. They feel that if Marcos can't solve today's problems, no one else will be able to solve them either.

Because of their feelings about the prestige of the leader, they oppose the Aquino government and refuse to accept the progressive ideas of the her government. They do not believe that the Aquino government can solve the problems, because Mrs Aquino does not have any prestige.

3. Terrorist activities of the communists and southern Muslims: These activities have become more and more violent. The government cannot control the situation, because it has given too much freedom to these groups. This has greatly alarmed the older generation of pro-Marcos leaders and people in general, who greatly fear the communist threat. Thus, they have tried to topple the new government in order to prevent the communists and Muslim rebels from gaining more power.

4. Factors within the Aquino government: It is well known that of the 24 senators who won election in the general election, only 2 are Marcos supporters who oppose the Aquino government. The other 22 are all Aquino supporters who favor moving forward and who oppose foreign interference in the Philippines. Thus, every draft law that is submitted by one of these senators passes, because they enjoy an overwhelming majority. And recently, a number of senators submitted a bill to prohibit other countries from transporting nuclear weapons through the Philippines or stockpiling nuclear weapons in the Philippines. This directly affects the U.S. military bases in the Philippines. The older generation of leaders and Marcos supporters, who tend to side with the United States, opposed this draft law. This was one reason for the collapse of the government.

External Factors

Outside great powers may be playing a role in stirring up turmoil. They may be supporting the rise of new leaders. Because today, half of the senators have submitted a bill that would prohibit the presence of nuclear weapons in the Philippines. The bill would also prohibit ships carrying nuclear weapons from passing through the Philippines. It is expected that this bill will pass the Senate, because there are only two opposition senators. If the House of Representatives approves this, this law will have a great impact on the foreign military bases in the Philippines. Even if other countries are not supporting this turmoil, their interference in internal political affairs here could lead to a crisis in the future.

Based on the above factors, it can be predicted that Philippine society will continue to deteriorate until the government proves to the people that it is capable of administering the country. This will take a long time, because the new government came to power at a time of crisis in the Philippines.

Columnist: Political, Military Situation Worsens
42070028 Bangkok DAILY NEWS in Thai
10 Sep 87 p 2

[Around the World column by Trairat Sunthonpraphat:
"Beware of Rebellion"]

[Excerpt] Based on what has happened, the U.S. military feels that the problems could grow even worse and that things might turn out differently next time. Those who staged the recent coup attempt almost formed a revolutionary council. They had a clever plan, and there was increased sympathy for them. Besides this, this shows that Aquino's popularity among the soldiers has declined. She may not be able to win the hearts of the soldiers. Even Gen Ramos has encountered problems, because the enemy has harassed him and waged a war of nerves. Aquino will face even tougher campaigns in the future.

As a result of this, the communists in the jungle have gained a greater advantage in terms of the psychological war. This is because the Aquino faction has to spend its time dealing with rebels, who are even closer than the communists. This is providing the communists with an excellent opportunity to expand and build a united front. Because things are just growing worse. In the wake of the rebellion, the military is more divided than before, the economy has been effected, and investments have declined. Wealthy people and businessmen who are uncertain about what is going to happen are sending more and more money abroad. The inflow of foreign capital is drying up. In addition, the country has experienced droughts and typhoons, which has had a serious impact on agriculture.

The political situation is still very bad. Those who are dissatisfied with Aquino are inciting quarrels. Those who are uncertain about her may try to distance themselves from her. Marcos is doing everything he can to tarnish the image of the Aquino government. Even the people are growing more and more uncertain about the government. As a result, the government's position is becoming more and more unstable.

The problems in the military, the expansion of the communist forces, and the worsening economic situation will increase the number of social problems in the Philippines. What worries everyone the most is that many people in the military have switched from being professional soldiers and have immersed themselves in politics.

The recent rebellion also shows the lack of Philippine and U.S. intelligence capabilities. What is certain is that if the United States had supported the rebels just a little more, the rebels would now be in control of the country.

Crown Prince Sets Up Personal Rural Foundation
42070027a Bangkok MATICHON in Thai
25 Jul 87 pp 1, 2

[Unattributed report: "Crown Prince Establishes Foundation To Help Rural People"]

[Excerpt] The Crown Prince has established the "Crown Prince Foundation" in order to help improve the quality of life of the people in the rural areas.

After his visit to villages in the four southern provinces of Surat Thani, Nakhon Si Thammarat, Yala, and Pattani and to Phra Yupharat hospitals during the period 18-22 July, the Crown Prince ordered that preparations be made to establish the "Crown Prince Foundation." The Crown Prince will serve as president of the foundation. The purpose of this is to help the people on the education and health fronts and improve the quality of life of the rural people.

The establishment of this foundation arose following the Crown Prince's visits to villages in the central and southern provinces. It was the Crown Prince who decided which villages to visit after officials had gone and collected data. All of the villages that he visited are underdeveloped villages where communications are difficult.

As for the "Phra Yupharat Hospital Foundation," which was established at the same time as the 21 Phra Yupharat hospitals were established nationwide, during the past 10 years, there has been a lack of coordination between those responsible for implementing things. There has never been a joint conference. As a result, little attention has been given to restoring and upgrading the hospitals.

11943

Crown Prince Wants End to Japan Trip Controversy
42070034a Bangkok MATICHON in Thai
7 Oct 87 p 16

[Unattributed report: "Crown Prince Wants People To Stop Demonstrating Against Japan for Failing To Receive Him Properly"]

[Text] For the sake of friendly relations, the Crown Prince wants those who are demonstrating against Japan for failing to receive him properly to stop demonstrating.

At 1900 hours on 6 October, the Department of Public Relations radio broadcast a report stating that the Crown Prince's Personal Affairs Division in the King's Guard Mahat Lek Regiment had issued a statement saying that the Crown Prince had ordered the Personal Affairs Division to issue the following statement to those involved in the matter of the Crown Prince's official visit to Japan during the period 23-28 September 1987:

The fact that certain obstacles and problems arose during my official visit to Japan has upset and angered many people. This has led to demonstrations against certain people. Even though certain problems and complications may have arisen during this trip as a result of misunderstandings and shortcomings at the level of officials, it is my wish that the demonstrations come to an end and that the matter be resolved satisfactorily for the sake of friendly relations between the two countries. This is why I have issued this statement.

Crown Prince's Personal Affairs Division 6 October 1987

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POLITICAL

Hanoi Representative Calls for Stronger Control by Assembly

42090007a Hanoi NHAN DAN in Vietnamese
10 Jul 87 p 3

[Article by Nghiem Xuan Yem, National Assembly, representative from Hanoi City: "Strengthen the Control Task of the National Assembly"]

[Text] In its seventh term, the control mission of the National Assembly and the State Council over activities of the Council of Ministers, the Supreme People's Court, the Supreme People's Organ of Control, and other state agencies was stressed in reference to enforcement of law, economic management, and cultural and social management. The State Council devotes some effort to inspection and control of 18 important matters pertaining to agriculture, industry, commerce, etc. The Nationalities Council and standing committees of the National Assembly have annual programs for exercising the National Assembly's right of control over sectors and localities regarding 60 matters pertaining to planning, budget, science and technology, culture, education, society, etc.

Nevertheless, the control function of the National Assembly is still not performed much, and is weak and has poor results; there are even instances in which it is ineffective because it is not considered important.

A serious situation currently developing is that laws, from criminal laws to marriage and family laws and regulations on punishing corruption, speculation and black marketing, counterfeiting goods, dealing in illegal business, etc., are not respected and are often violated. Some litigation has not even been executed. No small number of the general violations of the law are committed by cadres in authority.

In view of this situation, we suggest that in addition to promoting legislative work, the National Assembly should strongly increase its efforts to provide control over enforcement of law, bringing economic management and social management under law, and implementing social justice.

Another serious matter is that implementation of state planning with the state budget is confronted with many difficulties and obstacles, production management has not changed significantly, distribution and circulation management is still very disorderly, and capital construction investments are managed in a lax manner. What can be done to ensure concentration on implementing the three great economic programs in each place and in each sector? How do we strive to meet the objective of the "four reductions?" Is agriculture truly being looked on as the first battlefield yet?

We propose that the National Assembly resolutely concentrate on regular control of plan implementation with the budget for 1987 so that at the end of this year planning for the state budget for 1988 will be checked

and determined to be relatively firm, ensuring successful implementation of the resolution of the Sixth Party Congress and Resolution II of the Central Committee.

In general, in view of an economic situation with much confusion and many traps, and with life continuing to be difficult for working people, especially daily life for cadres, workers, and civil servants, a negative situation is developing in all aspects, making the people uneasy.

We propose that the National Assembly increase effective control more than ever before through every activity in its sessions, by renovating activities of the State Council and of councils and the standing committees of the National Assembly, and by renovating activities of the 40 groups of representatives of the National Assembly.

We would like to place emphasis on increasing effective control. To do this, we suggest that comprehensive renovation is needed, in ideology as well as in the working structure between organs of the party and of the Council of Ministers and organs of the National Assembly and the State Council. At the same time, operational forces, organizations, and means must be increased for councils and standing committees of the National Assembly.

9830

Ho Chi Minh City Ward 6 Expels Party Members

42090007b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 23 Jul 87 p 1

[Article by Tuong Van]

[Text] During the first 6 months of this year, the party organization of Ward 6 implemented a number of measures aimed at raising the quality of party members and promoting party development. The Control Board of the Ward Committee disciplined 15 party members for lack of virtue and errors in their work. Six party members were purged, two had their names erased, three were warned, three were reprimanded, and one, a commander, was relieved of command. Conspiring with private merchants for illegal profits, four key cadres at the Marine Products Materials Enterprise were purged from the party, and one commander was relieved of command. Also in the past 6 months, party installations in the ward inducted 52 new members into the party. Among these were five comrades in direct production in the industrial sector and small industry and handicrafts sector; two of them were women.

Nevertheless, party development was still slow in neighborhood party chapters in the production zone.

9830

Tan Binh Ward Expels 26 From Party
42090007c Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Aug 87 p 1

[Text] During the first 6 months of 1987, the party organization of Tan Binh Ward expelled 26 party members (5 of them probationary members) from the party for having seriously violated principles of economic and financial management, for having violated laws, and for degeneration in virtue and quality. Eleven of them were key cadres of basic-level units.

During the same period of time, the ward party organization completed development of 51 new party members. This was the period in which the fewest number of members were inducted into the party of any period in history. The reason for this is a lack of attention to youth group work, low priority given to force-building efforts, and holding the masses in low esteem.

The party organization in Tan Binh Ward set forth six important tasks in party building work. Among them, they emphasized raising the fighting strength of the grassroots party organization, raising the quality of party members, and adhering to the principles of party organization and activities.

9830

Law Violators Said To Include High-Ranking People
42090030a Hanoi LAO DONG in Vietnamese
13 Aug 87 p 1

[Article by Le Gian: "An Important Link"]

[Text] The Party and state apparatuses of our country, from the central level down to the provincial, municipal, precinct, district, village, and subprecinct levels are a source of concern of our working class and people. The widespread and serious incidents and matters that have been uncovered by the masses and the press in recent months have brought about for us a more accurate concept regarding the alarming situation of many organizations and organs of the party and state, and of cadres at all levels.

However, although the articles by N.V.L. and the "Tasks Which Must Be Carried Out Immediately" articles which were published in this newspaper were warmly applauded they were criticized by some people with authority at high levels for confusing the people and creating difficulty for leadership. The struggle against negative phenomena, which had only just begun when it ran up against "suggestions," "criticism," and intervention, even at high levels, which is something requiring special attention.

Many negative acts, including some beyond our imagination, are often hidden under "umbrellas" at all echelons, including the central echelon. Those umbrellas of all sizes are obstacles on the path toward renovation of our country's revolution. Hiding under someone else's umbrella to do

wrong is very condemnable, and is not heartlessly protecting people who act contrary to the interests of the revolution not committing an even more serious crime?

No one wants to have to punish people, and no one wants to see within the ranks of the party degenerate and dissolute elements. But once such people have appeared and have occupied major or minor positions in our organizations, we cannot consider being lenient toward them.

We are faced with a choice: tolerating such people (making the excuse of "honoring past achievements" or "curing the disease to save the person"), while neglecting the basic interests of the revolutionary undertaking or, in the interests of the revolution and the people, punishing such people, no matter who they are.

Experience has shown that if people in the party committee echelons who are denounced by the masses and the press, with explicit evidence, for having violated party discipline or state laws but still are not brought to justice, there can be no hope of purifying the party at any level. Our party's leadership organs at all levels, especially at the central level, must consist of people who are capable and have good moral quality, and they must set good examples for the people to follow, so that the people may place their confidence and hope in them. There can be no place for people who are lacking with regard to moral quality and who are political speculators and provide umbrellas under which the lower echelons can do wrong, disregard the collective, and on their own accord decide matters regarding the organization of cadres along the lines of factionalism. Such violations must be dealt with strictly and promptly, and we must not "beat the drum and then put away the drumsticks."

Our working class and people are waiting for renovations in all the different spheres of our nation. But we cannot regard all spheres of activity of the party and state as being equally important, especially in the present situation. For that reason, we are even more profoundly aware of, and completely approve of, the wise observation in the political report approved by the Sixth Party Congress: "The renovation of leadership cadres is the most important link, one which our party must grasp in order to further the reforms of revolutionary significance... In order to renovate the ranks of cadres, it is first of all necessary to renovate the cadre work and the people who carry out the organization work." (Part II). That is very clear. It is an important link and an urgent requirement of the present situation is to reexamine the organizational apparatus and the cadre apparatus of the party and state, from the central level down to the other levels, especially at the central level. If one sees rotten places on the roof but only tidies up the other places, that would only be wasted effort.

5616

Recent Strict Enforcement of Laws Applauded
42090030b Hanoi LAO DONG in Vietnamese
17 Sep 87 p 2

["This Week's Opinion" column by Thanh Tuan:
"When the State Acts More Sternly"]

[Excerpts] In everyone's daily conversations, the recent trials are discussed more than anything else, especially the trial of Nguyen Truong Xuan during the first part of September. That is very easily understood: after the sordid affairs and crimes were exposed in the press the people awaited a new move on the part of the organs enforcing state laws. If public opinion is not supported by the authority of the state and affirmed by the strength of law, it is easy to fall into the situation of using empty words, of "beating the drum and then putting away the drumsticks." And when the authority of the state is exercised public opinion is supported and the masses have more confidence in the effectiveness of the struggle against negativism.

The new exercising of state authority has an outstanding feature: not only law violators at the lower levels, but also those at the upper levels, have begun to be affected.

The ordinary, law-abiding workers are, of course, delighted because of that. The people can no longer endure the situation of some people abusing their authority to enrich themselves from the sweat and tears of the ordinary people, and can no longer endure the deceit and extreme injustice in our society, which have existed for too long (just imagine: a deputy bureau chief of the Ho Chi Minh City Medical School took a bribe of nearly seven taels of gold, about as much as an ordinary worker could earn in 100 years!).

The law violators at all levels are seeking ways to fight back and avoid incrimination by hiding under umbrellas of various sizes. The righteous voices of the masses are at times strongly counterattacked. The phenomenon of the "separation" of public opinion and state authority cannot be overcome easily. In some cases, journalists must be extremely cautious when wanting to express a strong opinion, even if it correctly reflects the opinion of the broad masses, or when they want to expose a scandal involving high-ranking people. That is also true with regard to state authority: some trials do not bring to light all aspects and all people involved.

The experiences of the struggle against social negativism over the course of many years have taught us a major lesson: all half-hearted, superficial measures only make the situation more complicated and will not lead to the ultimate goals of purifying the party and state apparatuses and making social relations more wholesome. And when it is necessary to "do it over again" we encounter even greater difficulties.

5615

ECONOMIC

**Population Planning, Creating Employment
Primary Tasks**
42090006a Hanoi NHAN DAN in Vietnamese
6 Jul 87 p 3

[Article by Thai Ninh, of the Propaganda and Training Department, CPV Central Committee]

[Excerpts] Our party's sixth congress presented new social policy viewpoints, direction, and tasks. Population planning and providing employment for workers are the number one tasks, both urgent and long-term, of social policy.

A population explosion has taken place in our country. The population of our country doubled in just 22 years (1955-1977). Thanks to family planning practices, the rate of population growth has slowed down, but not significantly. (In 1961 it was 3.6 percent; 20 years later, in 1981, it had only dropped to 2.4 percent, and in 1985 it was still 2.15 percent.) An average of 4 children are now born every second. In provinces and municipalities with a population of 2 million, four more children are born every hour. In Hanoi itself, the birth rate is 2.1 percent. By the year 2000, if the rate of population growth remains at 1.1-1.2 percent, the population of our country will increase to 73.7 million.

It is noteworthy that our country stands 13th in the world for population, 160th for average per-capita land area, and more than 100th for per-capita income of citizens.

A serious contradiction that must be resolved is that population is increasing while production development is slow and per-capita income low. To properly resolve this contradiction, our party requires that economic planning be closely tied to population planning. Our party considers population planning a strategic problem of the socialist revolution, a strategic formative element in men. Population planning must not be wrongly understood to be merely planned childbirth, or merely protecting women's health. Reduction of the rate of population growth is the important goal of population planning. The attainment of that goal will have multifaceted positive influences in socioeconomic spheres.

It was clearly pointed out at our party's Sixth Congress: "Efforts should be made to reduce the annual population growth rate to 1.7 percent in 1990," which require that the "party, administration, and mass organizations at all levels give close and regular guidance to the population planning movement, considering it a very important condition for raising the per-capita national income and achieving socioeconomic objectives." (Political Report at the Sixth Party Congress) Over the past few years, some localities have tried to lower the rate of population growth. Presently, just lowering the number of persons

nationwide who have a third child or more (approximately 715,000 persons) by one half would lower the rate of population growth to only 1.5 percent.

The party congress set forth the following basic and urgent measures for successfully implementing population planning standards:

One, is investment in expanding the family planning technical support network. To implement family planning requires more than propaganda alone; it requires technical means. Experience in promoting family planning over the past few years has determined that technical support is the deciding factor in the family planning movement in particular and in population planning in general. The more widespread the technical support network becomes nationwide, the more possible it is to effectively implement population planning. The number of couples using birth control devices must be increased from the present 35 percent to 60-70 percent in 1990. Investment in expanding the family planning technical support network is therefore a primary measure for implementing population planning.

Two, is improvement of policies and programs of the state aimed at more strongly encouraging less births and lowering the rate of population growth. Our state has announced a number of policies on this matter, but not enough. This party congress has required policy improvement and reinforcement. The state must promulgate policies and programs that form a network of encouragement to young people to delay marriage and practice family planning, each couple having only one or two children. In our country, the average childbirth rate was 4.8 children per woman in 1979; in 1985 it was 4.3 children. Presently, the percentage of women bearing a fifth child is 20; 33 percent bear four or more children. The number of women within childbearing age (20-30 years old) is constantly growing, while not many are leaving that time frame. (For instance, over the period 1981-1985, the number within childbearing age was 644,800 and the number exiting was 211,700, an increase of 433,111 persons.)

This situation tells us that lowering the population growth rate is a process that cannot be implemented in a few years, but requires undertaking an effort that will last decades, even the entire century. This indicates that the state must institute a network of effective incentive policies that ensures successful implementation of population planning.

Three, is attaching importance to educational and cultural measures aimed at changing the psychology and habits of the people, especially young women, regarding family planning.

In the past few years, cultural education and propaganda on family planning has been increased and has met with significant results. Health, social studies, statistics, culture, and educational sectors have conducted many

scientific research projects on this matter. Propaganda via films, pictures, and television and propaganda in the press have had positive influence on family planning practices. Nevertheless, it is still hard to change old psychology and habits regarding childbirth. Recent psychological research projects indicate that the majority of couples in rural areas still want to have 4-5 children for the labor priority they will provide in the future for the receipt of contract fields; those in urban areas, including cadre and party member ranks, still want 2-3 children. The feudal psychology still prevails that one male child counts, but to have 10 females is like not having had any yet.

This psychological situation has had a negative influence on the implementation of population planning. Our party therefore requires regular expansion of propaganda and education work and cultural activities among the people, especially among young women within childbearing age. Every appropriate means and form of propaganda must be used to effectively implement population planning.

In reference to providing employment for workers, the Sixth Party Congress clearly pointed out that this is a regular responsibility for our party and state. It must receive the daily attention of party committee echelons and government levels. If labor is the source that produces the property of society and makes the people wealthy and the country strong, then the exploitation of the labor capability of the state and attraction of more and more labor forces into the sphere of socioeconomic activity is a strategically significant task. In slowly developing states like ours, when there is rapid population growth and a low per-capita income, there is an urgent requirement for solving the problem of providing employment for workers, and it involves many difficulties. Our country has more than 30 million working people. This is an important force for insuring the successful implementation of the task of building and protecting the state. Over the years from 1986 to 1990, our country will have an annual increase of over a million working people; that is, from 1986 to 1990, 6 million more young people will reach working age, and employment must be arranged for them. That does not take into account the tens of thousands of people presently in need of employment (mainly in cities) for whom it has not been arranged yet. In Hanoi alone, where the rate of increase is 2.36 percent for workers, employment must be arranged for more than an approximate 65,000 people every year. Only organizing and utilizing this working force well can enable working people to activate their right to collective ownership in state management and economic management. It is also a primary factor in pushing production development and rapidly increasing products for the economy and is at the same time the basis for stopping negative phenomena in society at their source. Providing employment for working people and ensuring that every person with the ability to work has employment is therefore a national policy with long-term and multifaceted positive effects. The party congress

emphasized: "To provide employment for working people, first of all for those living in urban areas and for young people, is a primary socioeconomic task in the years ahead." (Political Report)

As for the direction for resolving the employment issue, the party clearly points out that to provide employment for the working people, first of all for those living in urban areas and for young people, is a primary socioeconomic task in the years ahead. The orientation for resolving this is: "The state should create more jobs for the people and formulate policies aimed at enabling the working people to secure their own employment. To this end, it should encourage the development of the family economy and exploit the potentials of other economic sectors, including the private capitalist economic sector. The labor law should be promulgated and implemented." (Political Report) It is an orientation aimed at activating the total strength of the state, of the people, of all levels and sectors, and of all economic elements.

Over past years, many localities have provided employment for workers in keeping with this orientation and have had significant results. Haiphong provided employment for 17,000 workers, with nearly 11,000 families in Le Chan Ward creating employment and turning out a high-value commodity volume.

It is very difficult to solve the problem of employment for millions of working people. It requires integrated measures and a combination of many economic and education measures and legal coercion. The political report requires: "The lazy and parasitical must be criticized and forced to work."

The Sixth Party Congress provided the following as the principal means of solving the problem of providing working people with employment:

On the spot trades and occupations should be expanded to attract more of the new and surplus labor force along with re-allocating the labor force across the country. Attention should be paid to agriculture and at the same time to developing handicrafts, small industry, services and other areas of production, and the production of goods for export and processing goods. Levels and sectors must make expanded efforts to coordinate labor with land and with trades and occupations with potential for the three programs of food products, consumer goods, and exports. In 6 years, Ho Chi Minh City coordinated the movement of more than 700,000 persons out to build new economic/population zones.

Labor cooperation with foreign countries should be expanded in combination with vocational training for young people and the improvement of our specialists' professional standards and forming an appropriate structure of trade and occupations.

Presently, foreign countries have great need for labor cooperation with our country. In line with this need for cooperation, in each 5-year plan, we can bring tens of thousands of persons over to perform cooperative labor in the Soviet Union. Developing countries also have needs for labor cooperation with our country. It is a means of solving the problem of employment for working people and at the same time has the effect of increasing the quality of worker ranks and is also to the benefit of country and home. In order to properly implement this means, the party congress requires that we "select people according to proper criteria and closely supervise them organizationally and ideologically," and, together with the foreign country, take care of the material and cultural life of people working in that foreign country and properly arrange for them to remit money and goods to their families. Attention should also be given to arranging employment for those returning home after working or studying in foreign countries.

Settlement of nomads is a great drive of the party and state aimed at stabilizing life for a portion of the minority compatriots, protecting the environment, developing production, and building a life of long-term happiness for minority compatriots in the highlands. It is a drive aimed at contributing to comprehensively building up the highlands politically, economically, culturally, socially, and in security and defense. Implementing this policy, one million minority compatriots, nearly 160,000 families, have established settled farming and settled life.

Indirect labor and administrative management must be reduced in the state sector, and must be shifted to production and service. There is presently an imbalance in the state sector between indirect labor and direct production labor. In 1986 alone, the state sector had 1.15 million administrative and professional workers, several hundred thousand of whom were administrative management and indirect cadres and personnel. This imbalance and inappropriateness must be promptly rectified by levels and sectors. In order to implement these measures well, in addition to reorganizing production, rearranging management mechanisms, and reducing administrative and indirect labor organization, thinking must be renovated regarding standards and the value of man. The erroneous viewpoint that one does not have employment unless he is in a state organization, or that labor is not considered glorious, but joining a state organization is glorious, must be corrected. This viewpoint cannot be corrected by ideological means alone; there should be a policy and system and an attitude of dealing fairly with each worker.

The above measures are closely interrelated and have mutual effects. In the process of resolving the employment problem for working people, the above measures should be implemented in an integrated way in order to achieve practical results, making life more stable and improved for working people every day. In addition to implementing the above measures, the productivity of machinery and equipment must be fully utilized and

labor productivity constantly raised, insuring that working people have regular, stable employment and appropriate income and ensuring a living for their families. Labor discipline should be increased, effectively countering negative phenomena in labor and in life.

9830

Poor Coordination Plagues Labor Cooperation Program

42090027a Hanoi HANOI MOI in Vietnamese
5 Sep 87 pp 1, 3

[Article by Vuong Thuc: "International Labor Cooperation This Year: Some Results and Steps That Must Be Taken Immediately; The Recruiting Norm for 1987 is 5,987 Persons Going To Four Different Countries, the Soviet Union, the GDR, Czechoslovakia and Bulgaria; As of 30 July, 2,906 Persons (including 1,931 Women) Had Been Sent Overseas, Thus Completing 48.5 Percent of the Plan for the Year; The Remaining Persons Will Be Sent During the Final Months of the Year"]

[Text] This year, the municipality was assigned an international labor cooperation recruiting norm of 5,987 persons (including 2,170 women): 3,000 to the Soviet Union, 2,500 to the GDR, 200 to Czechoslovakia and 287 to Bulgaria. These persons have been assigned to work in the following sectors: the textile, sewing, machine and building sectors, paper production, the leather goods and fiber sectors, the assembly of concrete construction members, welding and so forth. This is the highest norm ever assigned to the municipality (four times higher than 1986).

In keeping with the spirit of change, the municipality began the practice of publicly announcing the norms, categories of persons and selection standards for international labor cooperation in the press and over the radio. Selection lists have also been publicly posted at each agency and enterprise and within each subward and village in order to inform everyone, enable everyone to inspect compliance with these lists and curb negative phenomena. After receiving their norms, basic units immediately established selection councils and assigned cadres to observe and guide persons as they put together their files and go to receive their medical examinations while closely coordinating with the labor, public health and public security sectors in order to have these files examined and approved and complete the necessary procedures so that the persons selected depart in accordance with the established flight schedule.

As of the end of July, the municipality had sent 2,906 persons (1,931 of whom were women) abroad for international labor cooperation, thus completing 48.5 percent of the plan for the year. Of this number, 1,234 persons went to the Soviet Union, 1,499 to the GDR, 121 to Bulgaria and 52 to Czechoslovakia. The quality of selection has been better than last year. Of the persons sent, 78.1 percent of the men have been troops who have

completed their military obligation; 14.1 percent have been members of families of war invalids and war dead; 35.1 percent have been manual workers or civil servants; and 21.2 percent have been children of cadres, manual workers or civil servants. However, the number of members of small industry and handicraft cooperatives has been small, only 99 persons (3.5 percent).

This year, as a result of making good preparations on the basic level, physical examinations have been well organized and political standards have been certified in a rapid and systematic fashion for the entire municipality, thus insuring high quality. The Visa Bureau of the Consular Affairs Department of the Ministry of Foreign Affairs, although working under tight deadlines, particularly for the flight in late March and the three flights in early April, promptly provided visas for Hanoi.

During the first 6 months of the year, in the process of selecting persons, the Labor Service received 123 petitions and letters of complaint or denunciation, 5 of which were from units subordinate to ministries and agencies on the central level. The remaining 118 were filed mainly by persons in the industrial and building sectors and the two wards of Ba Dinh and Hai Ba Trung. Most of the denunciations concerned the selection of persons who were not in the categories being sought or did not meet standards, the falsification of files and a lack of openness and fairness. Some persons filed petitions requesting that arrangements be made for them to be sent.

Of these 118 complaints and denunciations, the Labor Service turned 66 over to sectors authorized to act upon them and handled 52 itself. Investigations revealed that 15 denunciations were correct, 20 were correct in some respects but incorrect in others and 17 were completely false. On the basis of these investigations, appropriate measures were taken.

Besides the results that have been achieved, some problems have arisen in the selection of labor for international cooperation this year in the municipality which must be quickly corrected and overcome.

To begin with, during certain phases, the assignment of norms by the Ministry of Labor-War Invalids and Social Welfare and the release of information on the sectors and trades and the percentages of men and women being selected, instructions concerning whom to select and selection standards have been late. Departure dates have been close together and numerous, thus posing difficulties to basic units. The International Cooperation Department did not process files in time to issue visas for a number of flights. There were two cases involving the approval of persons to go to Bulgaria and two other cases involving the approval of persons to go to the GDR that were handled poorly. As a result, some units did not select persons by the deadline and were unable to send persons. These persons had to be replaced by persons from other units, which were able to send them because

they obtained the "information" more quickly. Some units have been fulfilling their selection norm very slowly. Their files and procedures have not complied with regulations. The persons selected by them have had to be supplemented many times. Selection standards have not been met. For example, Son Tay City was assigned a norm to select 30 persons as social laborers but selected instead 7 construction workers employed by the state. During one phase, Dan Phuong District did not publicly announce the list... In particular, in exchange for a bribe in gold, the Public Lighting Management Enterprise (the Office of Municipal Public Works) selected 25 persons, out of the 39 persons going to Bulgaria, who were not in the right category and did not meet standards. The director and his accomplices were imprisoned.

As regards physical examinations, because some hospitals applied the health standards for persons going to the Soviet Union to the persons going to all other countries, some persons being sent to the GDR were not accepted. A number of units have been slow to certify the political background of persons selected and have not completed this work in time for persons to depart. In some cases, there has been a lack of close coordination between the Labor Service and the municipal public security sector.

At present, 190 more males are to be sent to the Soviet Union in phase one. According to Notice 290/HTQT-KH dated 8 June 1987 from the International Cooperation Department, the next flights are not until November. In view of the fact that the processing of these persons was completed several months ago, this is too long to wait.

Concerning the 1,000 laborers being sent to Moscow, the municipality has assigned the necessary norms to units. These persons were originally scheduled to leave in December and to receive their physical examinations in September. But the International Cooperation Department announced that they would not receive their physical examinations until October. Suddenly, on 24 August, it announced that 150 of the 250 women among these 1,000 persons going to Moscow would receive their medical examinations on 28 August and depart on 2 October. This very short deadline caught the municipality unprepared. It assigned additional norms to units for an additional 500 women to go to the Soviet Union. In August, the Soviets administered health examinations to 700 persons but only 328 passed. The Labor Service then notified units to provide medical treatment and select additional persons to meet this norm.

As regards persons selected to go to the GDR, the municipality had sent 1,687 persons as of 30 August, leaving 813 persons yet to be sent. The International Cooperation Department will arrange for 449 persons to depart on three flights in September and five flights in October. But this will still leave 374 persons to be sent. The municipality currently has 450 persons in reserve whose files have been completed but who might not be

able to be sent. These are persons who work at administrative agencies, at the Industrial Service, the Construction Service, the Housing and Land Service and the Ministry of Labor War-Invalids and Social Welfare or in the wards and districts. It also has 21 persons (16 women), all of whom are tailors in high job grades, whose processing has been completed but who have still be unable to go. Concerning the age a person must be to be selected, there is a "problem" between Ministry of Labor-War Invalids and Social Welfare Document Number 238 dated 25 February 1987, which states that "persons 6 months short of being 18 years of age can be processed," and the document of the International Cooperation Department requiring that persons selected to go to the GDR be a full 18 years of age. Thus, the processing of persons born after August 1969 has come to "standstill."

As regards Czechoslovakia, 52 persons have been sent and 148 persons have yet to be sent. The municipality assigned the Grain Service the norm of selecting 20 heating workers to depart in late December. But the International Cooperation Department moved this departure date up to early July, thus setting a deadline that the Grain Service could not meet. In a similar case, the Public Food and Beverage Service selected 29 bakers to depart in late December. Now, the International Cooperation Department says that there is no flight scheduled! Conversely, the International Cooperation Department selected 10 rubber workers to leave in early July. This deadline was too short for the municipality to meet. To compensate, the International Cooperation Department arranged for three construction workers to go and decided to send 15 chemical workers in mid-November. The municipality assigned this norm to the Industrial Service. But, no one knows if things will go "smoothly."

As regards Bulgaria, the municipality is in the process of implementing the 2-year norm for 1986 and 1987 for 287 persons (148 women) in the building, electrician, tailoring, weaving and fiber trades. To date, Hanoi has sent 171 persons. The remaining persons are continuing to be processed. But will the 30 persons at the Office of Municipal Public Works who are included in the 100 persons selected for the capital construction norm be able to go?

Between now and the end of the year, the municipality will send international cooperation labor to the GDR on flights in September and at the end of the year and suggest that the Ministry of Labor-War Invalids and Social Welfare assign supplemental norms in order to process the persons in reserve. The processing procedures for the 190 men going to the Soviet Union have been completed by the majority of their documents expired in September. If the International Cooperation Department arranges for them to leave in November, they will be unable to go. This suggests that their visas must be made available immediately, that an extension of this expiration date must be requested or that earlier

flights must be requested. The municipality will also be supervising units in meeting the norm of 500 women to go to the Soviet Union. These persons will be selected at the Industrial and Construction Services (skilled manual workers and civil servants and the children of cadres, manual workers and civil servants). The education sector will select children of teachers and children of school workers and civil servants.

Concerning the 1,000 persons being sent to Moscow, of whom 150 women will be sent in early October, the Labor Service has requested that units complete their files and forward them to the service by 10 September so that they can be approved by the municipality. The 100 women departing in phase 2 at the end of the year must be given physical examinations in September, a certification council must be set up and procedures and files must be completed so that these women can depart. The municipality will continue to work with the International Cooperation Department to send the full number of persons required under international labor cooperation norms to Czechoslovakia and Bulgaria.

On the basis of the above mentioned results and existing problems, the municipality suggests that Hanoi work directly with the Ministry of Foreign Affairs without going through the evaluation and approval process of the International Cooperation Department. Haiphong customs will inspect the baggage of laborers at the International Cooperation Services Corporation (the Labor Service) and then send it directly to the airport without having to go through Dong Anh Station Number 2 of the International Cooperation Department. It is suggested that the Ministry of Labor-War Invalids and Social Welfare soon issue the official documents needed to put this into effect. As regards norms on labor in society, the municipality suggests that these norms not be assigned to the central agencies but directly to Hanoi in order to unify the management of labor by territory. It is suggested that the Ministry of Labor-War Invalids and Social Welfare and the Ministry of Public Health establish uniform health standards (height, weight) for each country and issue official documents putting these standards into effect. It is also suggested that the International Cooperation Department soon publish the health examinations schedule for the 1,000 laborers going to Moscow and schedule supplemental health examinations for a full 500 women to go to the Soviet Union.

On the basis of its capabilities, the municipality suggests that the Ministry of Labor-War Invalids and Social Welfare assign it a norm of 8,000 to 10,000 persons to participate in labor cooperation in 1988 and that it be authorized to directly sign labor cooperation contracts with the capitals of the GDR, Czechoslovakia and Bulgaria.

Improved Transportation of Export Goods Urged
42090025a Hanoi NGOAI THUONG in Vietnamese
5 Sep 87 pp 4, 5

[Article by Bui Danh Luu, member, VCP Central Committee and Minister of Communications-Transportation: "Promote Transportation To Serve the Export Goods Program"]

[Text] In the over-all activities of the communications-transportation sector, the transportation of export-import goods occupies an important mission. Implementing the resolution of the Sixth Party Congress, the communications-transportation sector has confirmed its responsibility in serving one of the three major programs, the export program. So that the transportation can do a better job of fulfilling that requirement, in addition to the all-out efforts of the communications-transportation sector it is necessary to have the concern of the state and coordination with the sectors and localities, most directly with the foreign trade sector.

In recent years, faced with the new requirements of building and defending the socialist fatherland, the communications-transportation sector, including transportation to serve exporting and importing, has undergone notable development. During the past 10 years the maritime transportation facilities, the primary forces in fulfilling the missions of transporting export-import goods, have increased tenfold and amount to a gross weight of nearly 500,000 tons. The maritime relations between our country and the other nations of the world have steadily expanded. Ships carrying the flag of our fatherland have gone to all corners of the world. Progress has been made in such activities as transportation, cargo handling, ship leasing, and services in support of foreign trade. According to data of the seaports under the central echelon, the volume of exports in 1986 surpassed the plan by 12 percent and increased by 15.6 percent over 1985. The receiving of imports surpassed the plan by 21.8 percent and increased 28.6 percent over 1985. The cargo-handling organizations made many all-out efforts and were rewarded for rapidly liberating many ships carrying imports. The backlog of ships, especially those carrying exports, was smaller.

However, for many reasons our country's transportation of exports and imports is still beset with many weaknesses and deficiencies and has not yet fulfilled the requirements.

At present our total annual export-import volume amounts to seven or eight million tons. Of the total of nearly 500,000 tons of maritime transport facilities, only about half are capable of long-range transportation. With a productivity of one ton of shipping transporting more than three tons of cargo per year, Vietnam's maritime fleet can transport only 700,000 to 800,000 tons, i.e. it can met only 10 percent of the requirement. Furthermore, the material-technical bases, consisting of a system of seaports, cargo-handling equipment, warehouses

and storage yards, etc., have not received appropriate investment so their production capacity is still limited. Some matters regarding regulations, policies, the management mechanism, etc., are not yet appropriate and cooperation between the communications-transportation sector and the foreign trade sector are not yet truly harmonious and close.

In order to resolve those difficulties, the communications-transportation sector has adopted the policy of developing the maritime fleets in many forms, while at the same time paying attention to expanding the seaports, installing additional cargo-handling equipment, promoting the repair and servicing of ocean-going ships, etc., in order to increase transportation productivity. Ship leasing and maritime agencies also received greater attention in order to supplement our country's ability to transport exports and imports. The central transportation forces are responsible for 90 percent of the handling of import goods but transports and concentrates only 10 percent of the export goods. The Ministry of Communications-Transportation has assigned explicit and rational responsibilities to, and has closely guided, the transportation forces transporting import goods from the ports. At the same time, it has guided the localities in fully utilizing all types of facilities, both nonmechanized and mechanized, so that they could do a good job of concentrating and transporting export-import goods.

So that coordination between the communications-transportation and foreign trade sector can be close and better serve the transporting of export-import goods, the communications-transportation sector recommended that the foreign trade sector cooperate in overcoming difficulties and hangups regarding the following specific matters.

With regard to imports, at present we must receive a large volume of goods to serve the requirements of economic development and maintaining the people's living conditions. Imports from the Soviet Union are the largest in volume and play the most important role. Those goods have the characteristics of being shipped CIF and of being shipped in accordance with transportation agreements between Vietnam's Ministry of Communications and Transportation and the Maritime Ministry of the Soviet Union, within the framework of intergovernmental cooperation between Vietnam and the Soviet Union. Because goods are transported to Vietnam via ships of the Soviet Union, they are not routed because of or greatly dependent on the weather, while the Vietnamese side demands that the goods arrive during the proper season, especially in the case of fertilizer to serve agricultural production. Most of the import goods arrive at the port of Hai Phong. Although there has been considerable investment in that port to increase its capacity, when many ships arrive at the same time there still arises an extremely tense situation with regard to both cargo handling and transportation to remove cargo from the port. Ability to handle cargo and liberate ships rapidly depends on the cargo, the type of ship, the arrival

time, the cargo-handling norm, the shipping and receiving paperwork, transportation from the port, etc., conditions which involve many sectors. The shipper should sign a contract to hire facilities and a pier for cargo unloading, but at present contracts calling for bonuses or penalties regarding cargo handling are concluded bilaterally by the Maritime Ministry of the Soviet Union and the Ministry of Communications-Transportation of Vietnam, and are approved by the two governments. To ensure the efficient receiving of imports from the Soviet Union, liberate ships rapidly, and create conditions for Soviet ships to transport much cargo to Vietnam, I recommend that the foreign trade sector coordinate in doing a good job of carrying out a number of tasks. It must make all-out efforts to spread out the flow of imports, in a manner appropriate to the nation's requirements, and overcome the problem of too many ships arriving at the same time. It should hold discussions with its friends to create conditions for the ports to rapidly load cargo aboard, such as by loading ships according to shipments, using packaging that is appropriate to the cargo-handling conditions, facilitating weighing and measuring, unloading ships rapidly, avoiding the situation of placing the goods of too many consignees in the same container, etc. It must monitor the situation in order to be fully informed of the ships' arrival times at port, promptly inform the port and the consignees so that they can receive the goods in time, and try to ship directly as much as possible. There must be close coordination with the ports, the consignees in the interior, and the management organs of the state and the ports to ensure that the receiving and handling of cargo proceed rapidly and that accounts are settled promptly.

With regard to goods which are imported from the other socialist countries, especially those imported FOB from Eastern European countries, the Ministry of Communications-Transportation is responsible for leasing ships belonging to our country or to other countries with which to transport the goods to Vietnam. The difficulty in this regard is the cost of leasing ships. That problem has not been well resolved, which has led to the situation of there being import goods but no money to lease ships, or of there being excessive debts, so the goods are not delivered in time to serve production in our country. Therefore, I recommend that the state adopt specific regulations regarding the system of paying shipping fees and that when purchasing goods the foreign trade sector should be concerned with resolving the problem of transportation fees. Both foreign ships and those of our country must be paid for in foreign exchange. If the transportation fees are not paid promptly the goods cannot be delivered.

With regard to exports, it is first of all necessary to do a good job of exporting goods to the Soviet Union. The Ministry of Communications-Transportation recommends that the foreign trade sector prepare sufficient warehouses to ensure the cargo-handling productivity and the quality of goods. Packaging must be very good and there must be a system of warehouses and yards for

storing the goods at the ports and the transportation hubs, and especially a system of refrigerated warehouses for exporting fresh products. It must cooperate closely with the communications-transportation sector in organizing the transporting of export goods from the interior to the ports. There must be suitable policies and regulations regarding the transportation and cargo-handling forces in order to raise productivity, while holding discussions with the Soviet Union to schedule shipping so that exports can be shipped more smoothly.

At present, the transporting of export and import goods by the provinces is still very dispersed and fragmented and there is a lack of unified guidance, which creates chaos, low economic efficiency, and sometimes damage. For its part, the communications-transportation sector will gradually fulfill its specialized management function and organize better coordination between the central and local export-import transportation fleets. I recommend that the foreign trade sector strengthen its guidance of the export-import work in the localities in order to create unity and bring about greater economic efficiency.

On this occasion, by means of the newspaper *NGOAI THUONG* and on behalf of the Ministry's leadership cadres and the cadres and workers of the communications-transportation sector, I would like to thank the foreign trade sector for its assistance and cooperation with regard to the fulfillment of the export-import transportation mission. I hope that cooperation between our two sectors in the coming period will be increasingly better, in order to fulfill the mission of serving the export program, one of the three major economic programs set forth by the Sixth Party Congress.

5616

Foreign Trade Contacts Signed

42090042a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 9 Oct 87 p 1

[Text] The international fair dubbed the "Fair for Friends' Importation of Advanced Products," held in West Berlin from 30 September to 4 October, had 65 countries from around the world participating. Its first time at this fair, the Vietnam booth displayed many traditional handicraft items, tropical foods, and ready-made clothing. Our country's foreign trade representative at the fair signed many contracts valued at hundreds of thousands of dollars with West Berlin and Western European corporations.

6915

Violations of Economic Contracts

42090042b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 10 Oct 87 p 1

[Article by Nguyen Cong Phu, Municipal Economic Arbitrator, in the column "Speak Straight, Speak the Truth": "Why Are So Many Disputes Over and Violations of Economic Contracts Not Dealt With According to Law?"]

[Excerpt] The economic contract is a legally valid document, signed between legal entities in which the signators jointly agree to and stipulate the responsibilities and rights of each party in carrying out economic operations of mutual concern.

In fact, the execution of the economic contract system in our country was not rigorous in the past. Many contracts were violated or unilaterally abrogated, but signators had no measures to deal with it, one party leaving the other alone to commit the violation, causing damage to himself with no idea whatsoever. Many disputes about economic contracts were not actively dealt with by the parties and were allowed to drag on, or were not settled in exact accordance with state law. A number of cases have been heard and decided by the economic arbitrator, but the units disputing and violating the contracts have not strictly carried out these decisions and intentionally cited objective difficulties as the reason to postpone implementation of them. There have even been cases of the upper management organization of the disputing unit rudely interfering in the implementation of the economic arbitrator's hearing decision and impeding implementation of these decisions, badly affecting the production and business operations of related units.

Why does the above situation exist? Through the reality of work and grass-roots investigation, we have found the following primary reasons:

— The bureaucratic centralism and subsidy management system during many past years did not closely link the responsibility of the primary level economic unit with the results of its production and business (primarily carried out by the economic contract) and, as a result, did not promote satisfactory completion of the contract.

— A number of state stipulations (especially about prices) were backward and outmoded but were slow to be appropriately changed and caused primary level units not to rely on them for concluding and correctly carrying out contracts. The state plan assigned to installations was also not uniform and timely, and many times was unrealistic. The production and distribution of goods were regularly out of balance and unstable. This caused difficulties for concluding and carrying out the production installations' economic contracts. Growing out of this was the psychology of mutual understanding, tolerance, and no desire to reach solution according to law.

— There also was inequality in economic contract relations. Any organization holding the right to distribute materials and goods or to monopolize purchase of products usually relied on forcing other units to sign and carry out economic contracts under conditions advantageous to it, and the other units did not dare to react or complain even when the contract is violated for fear of a break-off in relations or even more pressure.

6915

Vegetable Exports Expedited

42090042c Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 10 Oct 87 p 1

[Article by T.Q.T.: "The Vegetable and Fruit Sector After the New Management System; 3 Months of Exporting 1,000 Tons of Fresh Vegetables and Fruits From Outside the City; Created 80,000 Dollars To Import Raw Materials for Producing Insecticide"]

[Text] Figuring only since July 1987, after having the new management system sealed from investment for production guidance to business in the interior and organization of production, the municipal Vegetable and Fruit Corporation sold to foreign countries nearly 1,000 tons of high quality fresh vegetables and fruits of various types, 90 percent coming from outside the city. This is a very encouraging initial result for the new system because in previous years the vegetable corporation exported 200 to 300 tons at the most and this was primarily processed goods.

There now are four air shipments of fresh vegetables to France weekly. Vegetables exported to the Far Eastern region of the Soviet Union are also in large amounts and, for the first time, Vietnam's eggplant, squash, and papaya have arrived in friendly countries with quality assured. Cadres and employees of the corporation's Vegetable and Fruit Export Enterprise have improved methods of buying, transporting, and handling and reduced the go-betweens when shipping and receiving and delivering to ships. Thanks to this, losses have been reduced to from 5 to 15 percent.

The acceleration of vegetable and fruit exports has helped the corporation create sources of foreign currency to import fertilizer, insecticide, etc., to "foster" vegetable areas in the interior and recreate vegetables and fruits for export. In just the past 3 months, the corporation has used 80,000 dollars to import raw materials to the Insecticide Corporation to produce insecticide and support vegetable-growing areas in reducing the tense situation owing to sufficient agricultural materials according to the plan norm not being supplied.

6915

Evasion of Tax on Pork Products Widespread in Hanoi

42090027b Hanoi HANOI MOI in Vietnamese
5 Sep 87 pp 3, 4

[Text] At present, in addition to the pork business of the Food Products Corporation and the pork bought and sold by the subwards and villages during the second quarter, the number of persons doing business in pork in the four wards of the inner city is nearly two times higher than it was during the 1st quarter of this year. This situation has helped to meet the consumer needs of the people of Hanoi better. But besides this, one alarming

development is that private merchants are using the new regulations of the city to evade taxes, thus causing a shortfall in the state budget.

The slaughtering tax records of the tax offices show that there are still dozens of private slaughterhouses (each of which slaughter 8 to 10 hogs per day) that operate outside the law, evading at least 10,000 to 13,000 dong in taxes each day. Excluding the money earned from other services, each slaughterhouse evades anywhere from 350,000 to 390,000 dong in taxes per month. During the first 6 months of this year, according to data compiled by the Hai Ba Trung Ward Commercial and Industrial Tax Office, only 120,000 dong in slaughtering taxes were collected from private businesses, an average of only 20,000 dong per month.

At all the outdoor markets within the municipality, there are pork businesses of many different forms: pork on sale at tables and mats within the market and on "mobile" tables along the streets outside markets. All the persons who sell pork in these ways are evading taxes, are selling much more than they declare. Of the four wards, the Hoan Kiem Ward Tax Office has the largest shortfall. During the first 6 months of the year, it only collected an average of 750,000 to 800,000 dong per month in taxes from 60 businesses. In Ba Dinh Ward, at the Chau Long, Hoe Nhai and Yen Phu Markets, many persons have begun to sell pork. They give many reasons for going into this business: the municipality has adopted new policies on the circulation of goods, on goods obtained on one's own, on the sale of retail goods to consumers... Consequently, many persons have been selling hogs but not paying the slaughtering tax or the business tax. Aware of this unreasonable situation, the Ba Dinh Tax Office felt that it had no choice but to institute a tax of 300 dong per mat of pork per day. Private merchants have also found this unreasonable tax to be unacceptable. Clearly, this is no way to regulate profits, not to mention fulfill obligations to the state. Thus, many persons have been avoiding this minimum tax by putting several hogs together on one mat and selling five to six hogs as one. As a result of this form of concealment, one hog now has as many as 2 to 5 hearts and anywhere from 12 to 20 feet, not just 1 heart and 4 feet!

From our work with the tax offices, it can be seen that there is still a rather large shortfall in the collection of taxes on pork products being sold by private merchants. Due primarily to a lack of specific regulations of the municipality concerning this source of income, each ward has taken a different "creative" approach to raise budget revenues. The Hoan Kiem Ward Tax Office, which has been the most active in this area, has only been collecting taxes from about 40 to 50 percent of the persons doing business in pork. And the 25,000 dong collected in taxes each day throughout the ward can only be called a fee, not a tax in the true sense of the word. In Ba Dinh Ward, in addition to the per diem tax, the average monthly tax per business is 5,500 dong. Meanwhile, private merchants slaughter hogs each day and do

four to five times more business than the level of business at which they are taxed. Therefore, in order for the wards to have guidelines to follow, the branch tax offices and the municipality must soon issue specific instructions concerning this source of income which reduce the tax shortfall to the lowest possible level and facilitate the inspection of these businesses by tax cadres.

At the same time, current inspection methods must be reexamined. The reports of inspection units of various sectors show that practically all marketing cooperatives have been fined but that nobody even lays a hand on private merchants.

The problems that must be given attention soon are that the correct taxes on these products must be collected and these businesses must be regularly inspected in order to reduce the state's tax shortfall.

7809

Vietronics Reports Higher Product Quality
42090027d Hanoi HANOI MOI in Vietnamese
11 Sep 87 p 3

[Text] The Thu Duc Vietronics Electronics Enterprise has established economic ties with 30 customer units and has been using foreign currency obtained on its own to provide a major portion of the raw materials and supplies needed for production. The enterprise has invested in scientific-technical research and equipped with additional assembly and calibration equipment to improve the quality of its products.

This year, the enterprise is producing a number of new products that are more technically advanced than last year's products, such as the C210 ME 21-inch and 210ME 26-inch color televisions with remote control and color tuning, various models of radio cassettes, such as the PC27, the PW350... In the 2 years 1985 and 1986, with its modern assembly and quality control equipment and force of skilled workers, the enterprise produced 13 products that were awarded the gold medal and 4 products that were awarded the silver medal at the National Economic-Technical Exhibition.

7809

Saigon Shoe Factory Produces Record Output
42090027e Hanoi HANOI MOI in Vietnamese
11 Sep 87 p 3

[Text] To record an achievement in celebration of the major holidays of the nation and the Seventh anniversary of cooperating in production with the DZA Shoe Factory (Czechoslovakia), the Saigon Shoe Factory of the Federation of Leather Shoe Enterprises Recorded its highest output ever in August, producing

342,640 pairs of shoe uppers for Czechoslovakia, including 28,840 pairs of snow shoe uppers, a highly complex product, and 60,000 pairs of finished shoes for the Soviet Union.

7809

Private Businesses in Hanoi Required to Register
42090006b Hanoi NHAN DAN in Vietnamese
7 Jul 87 p 1

[Text] Hanoi has basically completed the first step of the effort to register industrial and trade businesses for state-operated and collective entities; investigations continue for registering private businesses with the aim of arranging the trade, restaurant, and service business network on the ward, district, and city levels.

After 5 months of implementation, 13,646 installations have received certificates issued by the Ministry of Home Trade, the Commerce Service, and commerce offices. Included are 2,342 merchandise sale outlets of the trade, restaurant, and service sector, the culture and information sector, the food sector, and a number of other sectors. Taking the first step in carrying out inventory and inspection of the state, via business registration, the city eliminated 415 sales outlets that did not have a business function or hid under the designation of corporations or marketing cooperatives to conduct business. Hoan Kiem District eliminated 114 locations and the outlets of the marketing cooperative of Trang Tien Sub-ward; Hai Ba Trung eliminated 115 locations; Ba Dinh, 30; Thanh Tri District, 89; Son Tay, 43. No small number of installations had taken on the name of internal service or service to the clients of the unit in order to conduct merchandising to make a profit on price differences. Many organizations dealt in stocked-up items such as electrical goods, bicycle parts, clothes, textiles, and mail-order items, while giving little attention to service. After 20 March, private businesses rapidly increased in number. By 31 May 1987, according to as yet incomplete statistics, there were 37,292 merchants in Hanoi, 59 percent of whom had business permits. The new merchants mainly sell pork and food and refreshments.

The general situation is that many state and private stands and stores do not display permits as required by the regulations of the Minister of Home Trade and the Municipal People's Committee; many private businesses evade taxes, sell at prices above registered prices, and sell the wrong merchandise. Some wards, districts, and sectors—such as Dong Da Ward, the postal service, the health service, and the Federation of Export Corporations, do not complete the process of business registration or do it too slowly. The city is guiding installations to perform business registration better, going deeply into the operations of each unit, increasing market management, and gradually restoring order to distribution and circulation.

9830

Private Businesses in Ho Chi Minh City Required To Register

42090006c Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Aug 87 pp 1, 2

[Text] SGGP—Implementing Instruction 25/CT-UB of the Municipal People's Committee on increasing state management for private businesses, on the afternoon of 12 August, the municipal trade service held a sector-wide training and development conference on implementation measures for this round of businesses registration.

Beginning 16 August, the process of business registration must be completed by all trade, service, and food businesses—specifically, machinery and tool repair and maintenance operations and service operations for the needs of daily life such as tailor shops, barber shops, and shops that rent such items as furniture, eating utensils, or wedding supplies.

Registration is also required for some installations which, though specialized and managed by the medical or cultural sector, have the provision of merchandise or a service as a principal operation, such as photo shops, product sales outlets operated by small private industries or handicrafts, and private installations merchandising Oriental medicines.

Some services of a collective type with operations of a handicrafts industry nature, such as cooperation teams and cooperatives that perform tailoring, produce and repair furniture and three-wheeled vehicles, etc., are not of the category that must register during this period, but will register in the small industry and handicrafts category. Some concerns exempt from the business registration process are unskilled services; mobile peddlers and small-scale hawkers—who are poor workers; private, family production efforts which, after they have fulfilled their obligation for selling products to the state, bring the remaining goods to sell piecemeal, not opening shops for regular sales.

Documents declaring business registration are submitted to the sub-ward or village people's committee or the management board of the market or place where the business is conducted. The deadline for the ward or district trade office to complete processing and issue the permit to the party requesting registration of a business is 15 days from receipt of the documentation relayed by the subward or village people's committee.

9830

Port of Hai Phong Makes Advances

42090025c Hanoi NGOAI THUONG in Vietnamese
5 Sep 87 p 5

[Article by Dang Khanh: "Some Features of the New Advances By the Port of Hai Phong"]

The port of Hai Phong is one of our country's important maritime transportation hubs. It is capable of handling between 1.2 and 1.5 million tons of cargo a year. Recently, the port of Hai Phong has made encouraging advances. Its cargo-handling productivity has increased and has reached the highest level ever. Enterprise 2 is exemplary. The cargo-handling norm for miscellaneous cargo is 450 tons per day per ship but the enterprise attained 484 tons. It surpassed the grain-handling norm by 25 percent. It surpassed the norm regarding the handling of export goods, especially peanuts, by fifty percent. With such productivity, the port has advanced to the good fulfillment of the primary objective: the rapid unloading of ships. During July of this year, five of the seven Soviet ships arriving at the port were unloaded ahead of schedule. For example, the ship Nicholaev was unloaded 9 days ahead of schedule.

In general, during the past six months the outstanding feature was that the port, along with the foreign trade organ, did a good job of exporting fresh produce to the Soviet Union. Both the shippers and the cargo handlers contributed to that result. In the past, produce being transported from refrigerated warehouses to piers had to pass through the port's gate. During the recent export campaign vegetables were transported directly from the refrigerated warehouses to the pier, which saved much fuel for the transportation facilities and reduced the rates of damage during transportation. During peak periods the port opened two or three shoots for export goods in order to rapidly load them aboard ships.

An especially important point is that recently customers have begun to be liberated from troublesome paperwork, especially the paying of "bribes" at many stages. Those advances were made because the party committee of the port's enterprise federation issued Resolution 10 on "Tasks Requiring Immediate Action" at the port. After that, the negative phenomena were dealt with, not only with regard to the port's cadres and workers but also with regard to the shippers. Although many all-out efforts have been made, a high percentage of the ships arriving at the port still are not unloaded rapidly. Export goods passing through the port of Hai Phong (except for produce) amount to only 10 percent of the annual norm. The norm port's board of directors estimates that during the remaining 5 months it will be necessary to double the present cargo-handling rate to fulfill the plan.

The port is improving organization and transferring the cargo-handling zones to the cargo-handling enterprise in order to prepare for economic accounting. It is rearranging the ranks for workers and reorganizing production, such as by organizing stevedore units which specialize in specific types of cargo and setting aside an entire cargo-handling zone for exports. The port is taking the initiative in coordinating in resolving matters regarding foreign ship captains, foreign trade organs, and other organs, especially with regard to export goods.

In order to promote the export program, the port of Hai Phong has launched a movement to compete over a period of 70 days in unloading ships rapidly and achieve accomplishments to commemorate the 70th anniversary of the August Revolution and National Day (2 September). With a sense of responsibility, acknowledging the deficiencies, and seeking new working methods, the port of Hai Phong is certain to fulfill its 1987 plan on schedule.

5616

Saigon Port Reaches, Surpasses Cargo Handling Goals

42090012a Hanoi GIAO THONG VAN TAI in Vietnamese 13 Aug 87 p 1

[Text] In the first 7 months this year Saigon Port organized loading and unloading of nearly 1.4 million tons of goods, or 69 percent of the goal set for 1987. In July alone, in spite of many difficulties caused by frequent rains which reduced working time by 25-30 percent, it still handled 174,000 tons of cargo, or 102 percent of the month's goal.

Along with organizing rational and synchronized work among its various sections, in order to quickly increase the loading/unloading and transport capacities, the port has been concentrating on reorganizing the production and business management machineries in the enterprises that are subordinate to it, trying to discover in time any shortcomings in management, and severely dealing with the cases of negative behavior, particularly in warehouses and life services enterprises.

It has begun to use microcomputers to control the movement of goods to and from warehouses while closely coordinating its work with customer units to draft plans for them to withdraw goods from the port in time and thus being able to reduce from 70,000 to 30,000 tons the total quantities of goods stored in its warehouses.

Along with the local administrations of the 4th Precinct and Nha Be and Thu Duc Districts, Saigon Port also organized cleaning up the entire corridor along the port and set up fences around the port area to prevent thefts and unlawful dealing in stolen goods. It also completed urgent repairs of 60,000 sq m of warehouses which had leaks and thousands of square meters of warehouses which had been flooded after heavy rains or by rising river water in order to ensure safety for the stored goods during rainstorm seasons.

5598

Saigon Port Cargo Handling Volume Increases 42090042d Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 Oct 87 p 1

[Article by V.Q.: "Saigon Port: In 9 Months, Cargo Handling Volume increased 7.6 Percent Compared With the Corresponding Period Last Year"]

[Text] By the end of September 1987, the Saigon Port had handled 1,769,429 tons, an increase of 7.6 percent compared with this period last year.

To encourage the workers to work to ensure productivity on each shift, the port is, in addition to assigning cargo handling contracts, intensifying side-production to obtain 30 million dong for food money between shifts for workers and for awards. From now until 7 November, cadres, workers and personnel at the Saigon Port are having an emulation drive to complete the cargo handling plan for the entire year which is 1.99 million tons.

6915

Heavy Losses Result From Saigon Port Operations

42090012b Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Aug 87 p 1

[Text] As Saigon Port was carrying out the 1987 loading-unloading plan, it encountered many difficulties which resulted from the 25-fold increase in the depreciation of the material and technical base and in utility costs and because it had to take care of the payment to cadres, workers, and civil servants compensating them for the differences in grain and food prices. With the loading-unloading expenses being added to the costs, at the present time the freight to be charged for loading or unloading a ton of goods is 88 dong, which is both realistic and rational. But the freight set by the state is only 14 dong/ton. With a great difference between receipts and expenses, in the first 5 months of 1987, Saigon Port lost 61 million dong.

With the freight charges being so low, the more Saigon Port increases its loading-unloading output and the faster it releases the ships, the more losses it will bear. In this situation negative acts on the part of workers have appeared, such as asking customers and ship owners to pay "health-improving" stipends, stealing goods, being absent from work, and so on, which have led to complaints from many customers. Recently Saigon Port has discussed with its customers in the municipality a five-fold increase of freight charges in order to make up for the costs and to boost the income of its cadres, workers, and civil servants.

5598

Emulation Drive Raises Productivity at Saigon Port

42090027c Hanoi HANOI MOI in Vietnamese
11 Sep 87 p 3

[Text] The Saigon port has launched an emulation drive to raise the productivity with which ships are unloaded, enable them to quickly depart and record achievements in celebration of the anniversary of the August Revolution and National Day, 2 September.

In July and August, despite unfavorable weather, the port handled more than 350,000 tons of cargo, thus completing more than 70 percent of its plans for these months and raising the total amount of cargo unloaded since the start of the year to 80 percent of its plan for the entire year. More than three-fourths of the Soviet ships docking in the port were unloaded on or ahead of schedule.

The port signed Vietnam-Soviet friendship international labor emulation pledges with seven Soviet cargo ships, all seven of which were unloaded 2 to 3 days ahead of schedule. In the 2 months of emulation, Soviet ships have awarded bonuses in the amount of 28,000 rubles to the port of Saigon for unloading ships quickly.

7809

Facts on Country's Transportation System

42090027a Hanoi NGOAI THUONG in Vietnamese
5 Sep 87 p 4

[Text] Our country's railroad system has a total length of 2,803 km and five principal lines: Hanoi-Lao Cai, Hanoi-Thai Nguyen, Hanoi-Lang Son, Hanoi-Hai Phong, and Hanoi-Ho Chi Minh City. There are 863 railroad bridges.

Roads total more than 100,000 km in length (including 26,000 km of national roads and 10,000 km of asphalt-surfaced roads). There are nearly 5,000 bridges on the national and provincial routes.

The usable national rivers total 41,000 km. More than 10,000 km are now utilized.

Maritime transportation: At present our country has a fleet (managed by the central echelon) totaling 500,000 tons. The ships are operated by four corporations: the Vietnam Maritime Transport Corporation (VOSCO), Maritime Transport Corporation 3 (VINASISH), the Transport and Ship Leasing Corporation (VITRANCHASH), and the General Ship Leasing and Maritime Agency Corporation (VIETFRACHT). In addition, in 16 provinces and municipalities there are local maritime transport corporations. We have dozens of ocean-going ships of more than 10,000 tons. Ships of Vietnamese registry operate at 160 ports in 80 countries in all five continents: Asia, Europe, America, Africa, and Australia.

With regard to ports, the ports of Hai Phong, Saigon, and Da Nang, Qui Nhon, Vung Tau, Can Tho, and Nha Trang are managed by the central echelon. They are capable of handling 7.5 to 8 million tons of cargo a year. The ports of Hai Phong and Saigon are capable of handling nearly 4 million tons of cargo a year.

5616

News Conference Marks Opening of New Saigon Bank

42090012c Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 29 Aug 87 pp 1, 2

[Text] In the afternoon of 28 August, at the headquarters of the Department of Propaganda and Training of the Municipal CPV Committee, the committee in charge of preparing for the establishment of the Ho Chi Minh City Industrial and Commercial Bank (ICB) held a news conference to introduce and release the bank's official statutes. Located at 114 Chau Van Liem Street, 5th Precinct, the bank will begin to operate on 31 August 1987, first to guide and accept customers for participation and for buying shares to contribute to its capital.

In accordance with Decision No 64/QD (signed on 3 July 1987) of the director general of the Vietnam State Bank, the ICB statutes contain the following points: ICB is a bank with capital shares sold to the public, having the status of a juridical person, and doing independent economic accounting. ICB is a professional bank within Vietnam's banking system being subordinate to the Central State Bank and the Municipal People's Committee; offering credit and banking transactions in accordance with the Vietnam State Bank's policies and procedures; serving economic development programs in the municipality; and accepting deposits (with or without time limits) from organs, enterprises, state-operated and collective economic organizations, private and individual business households, and residents of the municipality. On the basis of the acquired capital, ICB grants short-term loans to economic organizations and may grant medium-term loans to units for expansion of production, technical improvement, participation in production and business units throughout the country, and so on.

About its capital, ICB is established with an initial capital of 600 million dong, which comes from these sources: The State Bank provides 50 percent; the capital contributed by shareholders amounts to another 50 percent, with 6,000 shares of 50,000 dong each being issued. All citizens of Vietnamese nationality can contribute capital to the bank. Minors can also own shares, but registration of such shares at the time of purchase must also bear the names of their guardians (parents, foster parents, and so on).

5598

Bank Sells 327 Shares on First Day of Operation
42090012d Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 1 Sep 87 p 1

[Text] Yesterday, 31 August, the first day of operation, as of 1500 hours, the Municipal Industrial and Commercial Bank (ICB) (located at 144 Chau Van Lien Street, 5th Precinct) issued to customers 447 registrations for purchase of shares and sold on-the-spot 327 shares (50,000 dong a share) to shareholders collecting a total of 16.35 million dong. The shareholder (individual) who bought the most shares paid 1 million dong for 20 shares.

With the shares being bought by organs, committees, sectors, and production and business units through registrations added to the shares bought with cash by individuals, ICB has so far raised a total capital of 431.35 million dong, out of an initial capital of 600 million dong. On 15 September, ICB will close its share-sales book and begin to do transactions for customers, such as opening accounts, accepting investment, granting credit, and so on.

5598

SOCIAL

First Phase of Trial of 'Biggest' Corruption Case Ends

42090019h Hanoi DAI DOAN KET in Vietnamese
15 Sep 87 p 7

[Article by Hai Nam: "A Case Involving As Many As 400 People"]

[Text] The Ho Chi Minh City People's Court has completed the first phase of the trial of the biggest case so far, "Corruption and speculation of socialist properties." As we call it the biggest case, we refer to the volumes of goods that were stolen and valued at a total of more than 100 million dong (in the old currency, in the period from 1981 to 1984, when the price of gold was about from 20,000 to 80,000 dong a tael [= 37.5 grams]). This is a big case because it involves about 400 people, with only more than 100 of them being already prosecuted, a rather large number of others being still at large, a number of Saigon Port cadres having been disciplined, and a number of state organ cadres in An Giang and Dong Thap Provinces presently waiting for trial on charges of having been directly involved in the sales of stolen goods. This case involves large-scale well-organized seizure of socialist properties, with connections and collusion between on the one hand the professional speculators and on the other hand cadres in the Tan Thuan loading-unloading area and Saigon Port Protection Office, group leaders and terminal chiefs, protection agents, and crewmen of Saigon Port, and also tugboat captains and crewmen of VATASO (Union of Mekong River Transportation Enterprises).

Details of the Case

Among the 34 defendants whom the court sentenced this time, Tran Van Nam and Dinh Sanh Ke were sentenced to death. Nam, a Saigon Port group leader, master-minded eight seizures of goods transported by barges from Ho Chi Minh City to different destinations and caused losses totaling 47,229,000 dong. Ke, a professional speculator, actively made connections and served as useful assistants to group leaders and terminal chiefs in getting the goods. He admitted in court that the 11 batches of goods he had helped to obtain through corruption were valued at 86,498,100 dong. He also was the person who had been keeping in touch with Thap Muoi District People's Committee to resell the goods that had been bought aboard the barges and to pocket the millions of dong resulting from the price differences. He had been actively using some of this money to bribe the VATASO captains and crewmen.

Since the details of the case were very complicated, the investigation probably has not clarified all of the related facts. As a start we can summarize as follows: Saigon Port has been assigned the task of transporting by barge many kinds of goods from Ho Chi Minh City to different destinations. Because it did not have any tugboats, it had to sign a contract with VATASO, which would use tugboats to pull the port's cargo-laden barges. The Dinh Sanh Ke gang, operating in Dong Thap Province, and the Dao Thi Lanh and Dao Thi Loi gang in An Giang Province actively established connections with group leaders and terminal chiefs in order to organize getting the goods, buying them, and reselling them to a number of organs, such as the people's committee in Thap Muoi District; the marketing cooperative, commercial corporation, and corporation in charge of supplying for import-export in Cho Moi District; the self-sufficient team in the office of the Phu Chau District (An Giang Province) CPV Committee, and so on. Prior to a shipment, the speculators tried to meet group leaders and terminal chiefs in order to know in advance the kinds of goods to be transported aboard the barges, the quantities of goods they could buy, and the prices they would have to pay to group leaders, terminal chiefs, captains, protectors, and crewmen. They suggested the locations where the barges would stop for them to get the goods and then actively arranged with the state organs in Dong Thap and An Giang Provinces for resale of the goods at higher prices, sometimes twice as much as they had paid for the goods. If these Dong Thap and An Giang organs agreed to buy the goods, they would send their men and means of transportation to meet the barges and to accept the goods, with even the local public security force being sent along to protect(!) the goods.

To reach the goods in the barge holds, crewmen and protectors used jackscrews to lift the covers of the hold accesses, which weigh about 5 tons each, and afterwards restored the lead seals of these covers. Sometimes they pried the covers of passages or chute openings, crawled

through them to enter the hold, and stole the goods. Afterwards they restored the lead seals of the chute openings or replaced the bolts of the passage covers.

According to the figures provided in the defendants' answers to the court's questions, in the course of more than 60 shipments (between 15 November 1980 and 30 August 1984) the criminals stole 261,292 meters of materials of all kinds, 34,000 round light bulbs, 27,685 bags of fertilizers of all kinds, 10,538 pieces of (flat and corrugated) sheet iron, 21,389 boxes of soap, 13,000 tablets of square-lined paper, 11,840 students' writing paper tablets, 4,000 sewing thread spools, 5 tape recorders, 4,700 kilograms of lacquer powder, 12,150 kilograms of nylon, 508,587 kilograms of rubber, and large quantities of medical instruments and medicines. As we said earlier, because of the complexity of the case and the involvement of so many people the figures provided by a number of defendants in the course of their confession might not truly reflect the reality. Anyway, only the above-mentioned volumes of goods were enough to have truly helped to disrupt the market.

Looking Straight Into the Causes

The case cannot be closed with this phase of the trial. What took place in the court shows that there still are things that need to be clarified and require that the investigating organs continue their work. The criminals have inflicted very serious damages on the state and people. The two death sentences pronounced upon Tran Van Nam and Dinh Sanh Ke and the three life sentences upon Huynh Van Chieu, Truong Tan Minh, and Dang Van Hue are very just. The six suspended sentences pronounced by the court upon the defendants who had been fighting in the war of resistance against America and are family members of dead heroes, according to those people who attended the court sessions, are too light. All those people who have been or will be tried are real criminals who, in spite of the different extent of their crimes, do not deserve any leniency. They really are a group of criminals which strikes directly at the material base of socialism and at the already-difficult living of the true working people. They are the real accomplices of the enemy in the multifaceted war of destruction.

The public opinion still asks this question: Why were the criminals able to commit serious crimes for 4 consecutive years?

- Tran Van On, deputy director of Saigon Port, told the court that during the time covered by the case there had been public comment on the stealing of goods but that the former Board of Directors thought it had not found the causes or the losses had taken place within (?allowed) conditions. We must point out here that the former Saigon Port board which was responsible for shipping goods from the port to all destinations had to bear the greatest responsibility for the losses of state properties. For many consecutive years it had not taken any measures to manage and protect the

state's properties. It did hear the public (?opinion) but did not take any measures to stop the stealing. Many petitions and letters from the masses that denounced it were ignored. A defense lawyer bluntly blamed the case on "the bureaucratic state-subsidized management mechanism." That is not true. The neglected management as demonstrated by the Saigon Port Board of Directors is not part of the definition of the concept of "bureaucratic state-subsidized management mechanism" but at least has been the result of the irresponsibility of the management cadres. They were irresponsible, starting with the recruitment of port workers (of 21 group leaders and terminal chiefs being tried this time many are former soldiers in the puppet army and have very poor educational background). They were irresponsible toward the denunciations by the masses and a number of good party members to the effect that goods were being stolen and their irresponsibility led to continued and prolonged commission of crimes. Thai Doan Man, former deputy director in charge of internal affairs of Saigon Port and former secretary of the party chapter at the Protection Office, is the person who must be told a great deal about such irresponsibilities. The public opinion is not in full agreement with the list of the Saigon Port officials being prosecuted, including Huynh Duc, head of the Tan Thuan loading-unloading area; Tran Van Leo, Protection Office chief; Loi Thanh Lien, Protection Office deputy chief; Nguyen Minh Dung, protection unit chief, and so on. The Board of Trial has submitted a petition to the Ministry of Communications and Transportation to request that it review the case and determine the scope of responsibilities of the boards of directors of Saigon Port and VATASO. If it finds evidences of coverup and protection, and even collusion for large-scale and prolonged sharing of cash with the criminals, there must be severe administrative measures or prosecuting action against those whose wrongdoings are considered crimes. This is a serious petition which the Ministry of Communications and Transportation needs to carry out quickly because it may be based on good reasons. The Huynh Duc gang in the Tan Thuan loading-unloading area and the Tran Van Leo gang in the Saigon Port Protection Office could not have been capable of openly committing crimes for many long years had there been nobody "protecting" them. The disciplinary "warning" imposed on Deputy Director Thai Doan Man and Saigon Port CPV Committee Secretary Doan Hien "is too light, unbecoming of their responsibilities." Now is the time to look back, to look straight into the truth in Saigon Port in the years covered in the case. Only by so doing can we draw some positive lessons about the extremely harmful consequences of the organization and management work there, even if these lessons are bitter ones.- In almost all of the more than 60 shipments of goods, the VATASO captains and crewmen, along with many Saigon Port officials and the gang of speculators, had been stealing the state's goods. The money that came from the sales of goods to the speculators

was nicely shared among the captains and crewmen of the VATASO tugboats, who got between 20 and 25 percent. Did the VATASO Board of Directors really fail to know anything about the prolonged wrongdoings among its cadres, workers, and civil servants? That question was not accurately answered in the court because the VATASO Board of Directors did not come to the trial as the court had requested it to. Was it showing contempt of court by failing to come to answer the court's questions? Nguyen Thanh Lich, a cadre of the VATASO Organization Office, told the court that the former chief of the Transportation Office, who was responsible for assigning work to captains and crewmen during the time of the case, has been elevated to the position of deputy director. Lich's statement made those who were present in the trial very angry. The former VATASO Transportation Office chief should have been there to answer the court's questions about the shortcomings in the internal management of this office. The fact that a board of directors having hundreds of its cadres and crewmen taking part in the stealing of state properties for 4 long years has been left intact is unacceptable. In the current spirit of renovation of cadres, we need only to consider its incompetence in management work to have a good reason to judge the leadership posture of the VATASO Board of Directors, let alone to look into its relations with the VATASO criminals as the Board of Trial requested.

- In the court, the representative of the Municipal People's Organ of Control said that when the case had been brought to light, the Saigon Port and VATASO Boards of Directors did not fully comply with the request of the investigating organ and allowed some of the defendants to flee. So who were the persons who obstructed the execution of the task of the investigating organ? Obstruction of justice is also an offense mentioned in the Penal Code. These people must be the object of investigation, disciplinary consideration, or prosecution in a court of law. We must put an end to covering up, particularly covering up for criminals.
- According to the prosecutor's document, a number of state organs in Dong Thap and An Giang Provinces were actively buying stolen goods in this case. Tran Huu Tien, former vice chairman of the Thap Muoi District People's Committee, told the court that the committee received total profits of 1.8 million dong in the illegal deals. The cadres in charge of these organs knew very well that the goods had been stolen from the state, but they still bought them through the gang of speculators. They even sent their own boats and men, and armed public security officers, the latter for protecting purposes, to the barges to accept the goods. A cadre of the Cho Moi District Organ of Control answered in court that the organs bought the stolen goods because they were badly in need of them and because they were too poor to do otherwise. That was a very simplistic and irresponsible answer, mostly when it came from a cadre of an organ of control, which must prosecute criminals. The acts of a number

of organ cadres lending a helping hand to those who steal socialist properties must be put on trial by the law enforcement organs of both the central administration and the two provinces of An Giang and Dong Thap. They really are criminals who cannot live freely beyond the law, no matter what positions they are holding.

- Among the defendants in this phase of the trial four were members of the CPV at the time the case was taking place. Many party members in the chapters in the Saigon Port Protection Office and Tan Thuan loading-unloading area also were prosecuted. For a long time the Saigon Port Protection Office CPV chapter was no longer a basic organization of the party, but rather a refuge for decadent and degraded cadres seeking covering up of their crimes. A few party members (like Nguyen Dang Liem, former deputy chief of the port's Protection Office; Be Van Lam; and Nguyen Huu) who had made their objection known were promptly isolated, oppressed, and transferred elsewhere. Saigon Port CPV Committee Secretary Doan Hien "has shut his eyes" to the negative acts within the party organization. We can say that the criminals and bad elements there were controlling the party organization. The realities in Saigon Port have thus provided useful lessons about the education and management of party members.

This case has provided many lessons and experiences in regard to neglecting the management and protection of socialist properties. Every organ and everybody can draw from it very practical and urgent lessons!

5598

Clubs Formed for Chinese Youths in Cho Lon
42090030d Hanoi TIEN PHONG in Vietnamese
8-14 Sep 87 p 4

[Article by Tan Phong: "An Aspect of Cho Lon"]

[Excerpts] The ballroom dancing club of Subprecinct 11 has an appeal for youths. A Youth Federation chapter of nearly 50 youths became a member of the club. I had the occasion to become acquainted with Chau Dieu Minh, an active member of the club.

Minh is a Vietnamese of Chinese origin. Youths such as Minh account for more than 70 percent of the club's members. They are formed into youth chapters which engage in regular activities, such as tourism, camping, sports competition, and cultural performance groups. More than 500 of them are members of civil defense units which patrol every night to maintain order in the streets. Hundreds participate in production in cooperative teams in all sectors and trades: weaving nets, producing batteries, molding plastic products, producing leather purses, producing locks, making ready-made clothing, making plastic bags, making paper boxes, etc. Some of them attend Vietnamese language classes. Such

activities have gradually changed the face of the subprecinct and have repulsed phenomena which were widespread in the past, such as buying and selling at "outdoors markets" and buying and reselling "black market" theater tickets. But the important matter is that such production and cultural activities have brought together Vietnamese and Chinese youths and created a common consciousness in contributing to the building of the new way of life and the new man.

Comrade Giang Thap Sanh, a youth of Chinese origin, who has participated in the Precinct 5 youth movement since the liberation, did not accompany his family abroad but remained behind to help build the new society. He became a member of the standing committee of the precinct Youth Union and deputy director of the precinct Cultural Center, and was recently admitted into the Vietnam Communist Party.

He said that many of the Cultural Center's 13 clubs were set aside for Vietnamese youths of Chinese origin. For example, the learning and skill clubs include nearly 3,000 students who are youths of Chinese origin. There is also a Chinese-language song and dance club, a martial arts club, an art and photography club, etc. At the basic level there are clubs for learning hair styling, dancing, Vietnamese, and the machinery, embroidery, tailoring, and other trades.

Six Youth Union cadres of Chinese origin have been admitted into the Vietnamese Communist Party, nearly 1,000 youths have become members of the Ho Chi Minh Communist Youth Union, and 5,000 have become members of Youth Federation chapters.

Tran Quoc Luong, vice chairman of the Youth Federation of Precinct 11, confided that "We are youths of Chinese origin but understand that this is our fatherland, so we share the sentiment of wanting to contribute and work. We hope that the Youth Union chapters will create conditions for youths of Chinese origin to raise their cultural level and heighten their consciousness so that they can contribute more effectively.

5616

Children of High-Ranking Officials Misbehave in Schools

42090030c Hanoi LAO DONG in Vietnamese
1 Oct 87 p 5

[Article by Thai An: "Today's Privileged Children"]

[Excerpts] We must acknowledge a painful phenomenon: the negativism in society at large has spilled over in a big way into the schools, shattering order and discipline in the schools and flowing out from them into society.

Some teachers in Ho Chi Minh City have sent letters insisting that people who serve others at least have the right to refuse if the people being served are guilty of excessive violations. But teachers do not have that right. We must even serve students who are unqualified. Why is there such compulsion?

The following are some examples from Ho Chi Minh City. Among the 10th grade students at the Nguyen Thi Minh Khai general secondary school, the son of a director of the Forestry Service was notorious for fighting. Seeing that their son was having difficulties, the family requested permission to transfer that student to the Phu Nhuan school. His file included only a school transfer form and a handwritten note from the director of the Education Service which included the notation, "I am a friend of his family."

The Phu Nhuan school accordingly accepted him. Two days later Thuy returned to his old school at the head of a gang to start a fight. The Minh Khai school had to report truthfully on the situation to the Phu Nhuan school, which decided to expel him.

More than a month later Thuy's father brought two handwritten letters, one from the deputy director of the Education Service and the other from its director, recommending that Thuy be admitted to the Phu Nhuan school. When the principal requested the submission of full documentation he was given only a transcript, without signature or seal, from his old school. That incident involving the student Truong Quan Thuy was not unique. The schools in the intermediate zone between the city proper and the outskirts must often "harbor" such students. The students have formed gangs and factions to fight one another, and in some cases have committed serious crimes. All of the gangs are headed by the son of an official in a position of authority.

The "Apollo" gang is headed by Vu Hung Nam, the son of a deputy bank director. The "Skull" gang is headed by Nguyen Ngoc Hien, code-named B40, the son of an official at the Communications-Transportation Service. In addition, there are gangs with queer names which are headed by such "big shots" as Pham Viet Ha, whose parents are high-ranking cadres at the postal and electric power services. A gang youth headed by Nguyen Minh Tien, the son of a Colonel General, within a period of only 1 year started 14 major fights.

At the Nguyen Van Troi (Tan Binh) school, the Truong Vuong school, the Telemann school, etc., there are gang leaders who are children of officials with authority and money, such as the director of the Dong Nam textile enterprise, the director of the Tan Binh Bank, etc.

Such phenomena have also occurred recently in Hanoi. The Nam Dong, Phuc Xa, Bach Khoa, and Ly Nam "military regions" have caused many security cadres and legal organs to waste much effort. The degree of violations by such "unique" students have at times resulted in

serious crimes which have had to be tried in high-level courts. In Hanoi and Ho Chi Minh City alone hundreds of students who committed crimes are in jail. However, the most worrisome thing is that there are no indications that such phenomena are being restricted or reduced. On the contrary, many incidents have occurred which are even more serious. A large number of students have committed many violations in many places, which have resulted in "cover-ups, silencing, or transfers," so they increasingly disrespect discipline and laws.

Why are the teachers and the large numbers of students who are well-behaved powerless? Those "gang leaders" are aware that their parents have positions of authority. Having observed their parents at work and in receiving guests at home, they think that they also have authority, sufficient authority to control the whole school.

In addition to the formation of a privileged class among adults, there is even a new type of "privileged youth" among children. In Ho Chi Minh City some children are taken to and from school by automobile (a practice which is certainly about to end). One student whose father is a bank director said to the class, "My father pays the salaries of the teachers here."

The son of a director of a materials supply organ brought to school a stack of 500 dong bills. During a school party given by the son of another bank director the students got drunk, destroyed furniture and vomited all over the place. When the head teacher arrived to restore order the student brazenly held out a stack of bills in front of her face and said, "No matter how much it costs, I'll pay for it" and even insolently said to her, "Take a few to spend on yourself."

There have never been so many instances of disrespect toward teachers by students as at present. Many teachers have been attacked by their students and their students' parents. In one instance a student slapped his teacher in front of the class. Female students have also attacked female teachers. There is nothing more painful than to have to recall such incidents. Where is our ancestors' tradition of "respecting teachers and education"? Where is the relationship of respect between teacher and pupil, which everyone regards as noble and sacred?

Many parents of students in positions of authority are too busy with their work so they do not pay adequate attention to their children's study.

Others are too indulgent toward their children, which results in spoiling them. The son of a deputy minister invited his friends to a restaurant, where they misbehaved and used the telephone to call first-aid and fire-fighting units and to make other miscellaneous calls. An official at the Ministry of Communications and Transportation who let his son have anything he wanted even bought him a Yamaha piano, hoping that his son would become an accomplished player. But his spoiled son only liked to cause trouble and invited his friends home to play sword fighting, and even competed in jumping onto the piano. A young woman in Kim Lien, the daughter of a high-ranking cadre at the Ministry of Foreign Trade, spent enough money on her birthday party to buy a Saturn TV.

Education is a science and an art. Not everyone can become a teacher. And not all children can follow in the steps of their parents. But there is one thing that everyone can do very effectively: educate children by means of good examples set by their parents and teachers.

5616

Nuclear Medicine Department Established at Lam Dong Hospital

42000019a Hanoi VII IV DIV in Vietnamese
4 Aug 87 p 3

[Text] Lam Dong Hospital has just established a department of nuclear medicine for the treatment of diseases with radioactive isotopes. With four physicians and technicians trained at the central nuclear medicine department, the hospital has begun to use the equipment and pieces of machinery delivered by the Dalat Nuclear Research Institute, consisting of one-channel amplitude-measuring machines, beta ray detectors, and a number of other specialized apparatus and equipment. In the last 2 months, it diagnosed and treated thyroid gland and skin diseases for cadres and residents of the province. The nuclear medicine department has treated with good results 250 patients having goiter and who were contaminated with phosphorus-32 and iodine-131.

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